

**SERIAL 05141 RFP BANK SERVICING AGREEMENT (NIGP 94625)**

**DATE OF LAST REVISION: February 01, 2006 CONTRACT END DATE: June 30, 2009**

**CONTRACT PERIOD THROUGH JUNE 30 2009**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **BANK SERVICING AGREEMENT (NIGP 94625)**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **February 01, 2006 (Eff. 07/01/06)**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Director  
Materials Management

SD/mm  
Attach

Copy to: Clerk of the Board  
Tom Maxson, Treasurers Office  
Steven Partridge, Treasurers Office  
Mirheta Muslic, Materials Management

(Please remove Serial 00153-RFP from your contract notebooks)



## CONTRACT PURSUANT TO RFP

**SERIAL 05141**

This Contract is entered into this 1<sup>ST</sup> day of FEBRUARY, 2006 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Bank of America, an Arizona corporation ("Contractor") for the purchase of Banking services.

### 1.0 TERM

- 1.1 This Contract is for a term of three (3) years, beginning on the 1st day of July, 2006 and ending the 30th day of June, 2009.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for additional terms up to a maximum of two (2) years. The County shall notify the Contractor in writing of its intent to extend the Contract period at least ninety (90) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

### 2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A, A1, A2, and A3."
- 2.2 Payment shall be made upon the County's receipt of a properly completed invoice. Invoices shall contain the following information: Contract number, purchase order number, item numbers, description of supplies and/or services, sizes, quantities, unit prices, extended totals and any applicable sales/use tax.

### 3.0 DUTIES

- 3.1 The Contractor shall perform all duties stated in Exhibit "B and B1."

### 4.0 TERMS & CONDITIONS

- 4.1 **INDEMNIFICATION:**  
To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

- 4.2 **INSURANCE REQUIREMENTS:**  
Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

Contractor is required to procure and maintain the following coverages indicated by a checkmark:

**4.2.1 Commercial General Liability.**

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

**4.2.2 Automobile Liability.**

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

**4.2.3 Workers' Compensation.**

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than

\$100,000 for each accident, \$100,000 disease for each employee, and \$1,000,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

**4.2.4 Certificates of Insurance.**

4.2.4.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

In the event any insurance policy (ies) required by this Contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

**4.2.4.2 Cancellation and Expiration Notice.**

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

**4.3 NOTICES:**

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County  
Department of Materials Management  
Attn: Director of Purchasing  
320 West Lincoln Street  
Phoenix, Arizona

For Contractor:

Bank of America  
Attn: Senior Vice President, Governmental Clients  
201 East Washington Street  
22<sup>nd</sup> Floor  
Phoenix, Arizona 85004

**4.4 REQUIREMENTS CONTRACT:**

4.4.1 Contractor signifies its understanding and agreement by signing this document that this Contract is a requirements contract. This Contract does not guarantee any purchases will be made (minimum or maximum). Orders will only be placed when County identifies a need and issues a written notice to proceed.

**4.5 PRICE ADJUSTMENTS:**

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey.

**4.6 TERMINATION FOR CONVENIENCE:**

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the County. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

**4.7 TERMINATION FOR DEFAULT:**

4.7.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

4.7.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

4.7.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the County for any excess costs incurred by the County in procuring materials or services in substitution for those due from the Contractor.

4.7.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

**4.8 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

**4.9 OFFSET FOR DAMAGES;**

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

**4.10 ADDITIONS/DELETIONS OF SERVICE:**

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

**4.11 SUBCONTRACTING:**

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

**4.12 AMENDMENTS:**

All amendments to this Contract must be in writing and signed by both parties.

**4.13 RETENTION OF RECORDS:**

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

**4.14 AUDIT DISALLOWANCES:**

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

**4.15 ALTERNATIVE DISPUTE RESOLUTION:**

4.15.1 After the exhaustion of the administrative remedies provided in the Maricopa County Procurement Code, any contract dispute in this matter is subject to compulsory arbitration. Provided the parties participate in the arbitration in good faith, such arbitration is not binding and the parties are entitled to pursue the matter in state or federal court sitting in Maricopa County for a de novo determination on the law and facts. If the parties cannot agree on an arbitrator, each party will designate an arbitrator and those two arbitrators will agree on a third arbitrator. The three arbitrators will then serve as a panel to consider the arbitration. The parties will be equally responsible for the compensation for the arbitrator(s). The hearing, evidence, and procedure will be in accordance with Rule 74 of the Arizona Rules of Civil Procedure. Within ten (10) days of the completion of the hearing the arbitrator(s) shall:

4.15.2 Render a decision;

4.15.2.1 Notify the parties that the exhibits are available for retrieval; and

4.15.2.2 Notify the parties of the decision in writing (a letter to the parties or their counsel shall suffice).

4.15.3 Within ten (10) days of the notice of decision, either party may submit to the arbitrator(s) a proposed form of award or other final disposition, including any form of award for attorneys' fees and costs. Within five (5) days of receipt of the foregoing, the opposing party may file objections. Within ten (10) days of receipt of any objections, the arbitrator(s) shall pass upon the objections and prepare a signed award or other final disposition and mail copies to all parties or their counsel.

4.15.4 Any party which has appeared and participated in good faith in the arbitration proceedings may appeal from the award or other final disposition by filing an action in the state or federal court sitting in Maricopa County within twenty (20) days after date of the award or other final disposition. Unless such action is dismissed for failure to prosecute, such action will make the award or other final disposition of the arbitrator(s) a nullity.

4.16 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

4.17 RIGHTS IN DATA:

The County shall own have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.18 INTEGRATION:

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

4.19 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

**CONTRACTOR**

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
DATE

**MARICOPA COUNTY**

BY: \_\_\_\_\_  
CHAIRMAN, BOARD OF SUPERVISORS

\_\_\_\_\_  
DATE

**ATTESTED:**

\_\_\_\_\_  
CLERK OF THE BOARD

\_\_\_\_\_  
DATE

**APPROVED AS TO FORM:**

\_\_\_\_\_  
MARICOPA COUNTY ATTORNEY

\_\_\_\_\_  
DATE



**BANK OF AMERICA, 201 E. WASHINGTON STREET, 22<sup>ND</sup> FLOOR AZ1-200-22-15, PHOENIX, AZ 85004**

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PRICING SHEET: B0604590/NIGP 94625

BIDDER NAME:	<u>BANK OF AMERICA</u>
VENDOR #:	<u></u>
BIDDER ADDRESS:	<u>201 E. WASHINGTON 22ND FLOOR, PHOENIX, AZ 85004</u>
BIDDER PHONE #:	<u>(602) 523-4254</u>
BIDDER FAX #:	<u>(602) 523-2537</u>
COMPANY WEB SITE:	<u><a href="http://www.bankofamerica.com">www.bankofamerica.com</a></u>
COMPANY CONTACT (REP):	<u>MICHELE NIMS</u>
E-MAIL ADDRESS (REP):	<u><a href="mailto:michele.nims@bankofamerica.com">michele.nims@bankofamerica.com</a></u>
WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: YES	YES
OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: YES	YES

**1.0 PRICING:**

**1.1 Bank Service Charges**

Items	Unit Price
Annalysis maintenance fee	\$10.00
Deposits	\$0.50
Items deposited on US	\$0.025
Items deposited clearinghouse	\$0.03
Items deposited Transit A	\$0.05
Items deposited Transit B	\$0.04
Items deposited encoded	\$0.01
Returned deposited items	\$1.50
Returned redeposited reclear	\$1.50
Vault Standard Orders	\$2.00
Coin ordered	\$0.07
Currency Order Standard Strap	\$0.04
Stop Payments	\$8.00
Stop Payments Auto Renewal	\$8.00
Deposit Reconcile Maint.	\$11.50
Deposit Reconcile Items	\$0.07
Positive Pay Maintenance	\$25.00
Pos Pay Full Recon Items	\$0.02
Check Serial Sort Maintenance	\$50.00
Check Serial Sort Items	\$0.08
Transaction Image Capture	\$0.02
CD ROM Maintenance	\$25.00
CD ROM Media Fee	\$0.00
Daily DDA Statement	\$5.00
EDI Monthly Maintenance	\$50.00
EDI File Processing	\$0.75
EDI transmissions	\$0.75
EDI received fax report pages	\$0.00
ACH Debits Originated	\$0.05

ACH Credits Originated	\$0.05
ACH Debit Received	\$0.05
ACH Credit Received	\$0.05
ACH Return	\$1.50
ACH Reversals	\$7.50
ACH Prenotes	\$0.05
ACH Notification of Change	\$1.50
ACH File Processing	\$5.00
ACH Direct Maintenance	\$10.00
ACH Addenda Records	\$0.01

## 1.2 Bank Service Charges

### Internal Balance Reporting System Charges

	Unit Price
Internal Transfers Maintenance	\$0.00
Internal Transfers Items	\$3.00
" " Stop Payment Main.	\$0.00
" " Stop Payment	\$8.00
" " Previous Day Accounts	\$10.00
" " Previous Day Items	\$0.05
" BAI Maintenance	\$10.00
" BAI Accounts	\$10.00
" BAI Items	\$0.05
Outgoing Wire Transfer	\$8.00
Incoming Wire	\$2.00

## 1.3 Investment Portfolio Charges

	Unit Price
Book-entry Security Transaction	\$0.00
" Security Called Transaction	\$1.00
" Safekeeping Holdings	\$1.00
Portfolio Market Pricing	\$0.00
Bloomberg Terminal/Software	\$0.00

## 1.4 Special Handling Charges

	Unit Price
High speed warrants processed	\$0.08
Low speed warrants processed	\$0.08
Treasurer checks processed	\$0.08
Stopped Warrants	\$8.00
Stopped Treasurer's Checks	\$8.00
Warrant Images (front & back)-HIGH Speed	\$0.02
Warrant image maintenance	\$25.00
Warrant image CD Rom	\$0.00
Warrant image (front and back) Low Speed	\$0.02
Treasurers Check Images (front and back)	\$0.02

<b>1.5 RETAIL LOCKBOX CHARGES</b>	
ITEMS / ANNUAL VOLUME	
	Per Item Cost
<b>SECURED PROPERTY TAX PAYMENTS</b>	
Scanable Documents Between September 1 and November 15	\$0.18
Scanable Documents Between November 16 and March 31	\$0.18
Scanable Documents Between April 1 and June 30	\$0.18
<b>Imaging</b>	
Annual # (Front & Back)	\$0.02
<b>Edit Rejects</b>	
Annual #	\$0.35
<b>Electronic Transmissions</b>	
Annual #	\$15.00
<b>Terminal Usage</b>	
Monthly fee	\$0.00
<b>Title Checks</b>	
Annual #(special handling/terminal lookup)	\$0.00
<b>Electronic lockbox</b>	
Annual Items (anticipated)	\$0.00
Setup fee (electronic lockbox)?	\$4,500.00
Monthly fee	\$0.000

<b>1.6 WHOLESALE LOCKBOX CHARGES</b>	
ITEMS/ ANNUAL VOLUME	
	Per Item Cost
Daily Delivery/Transmission fee 240	\$15.00
Monthly maintenance fee 7 accounts	\$0.00
Regular Volume with photo copy 180,000	\$0.15
Correspondence 60,000	\$0.35
Data capture/Numeric 1,200,000	\$0.0045
<b>TOTAL COST</b>	

**1.7 Armored Car Service Locations**

Locations	Liability Of Coverage Maximum	Rate Per Month
Clerk Of The Court:		Brinks next-day
201 West Jefferson Phoenix, Arizona	\$250,000.00	\$304.00
3131 West Durango Phoenix, Arizona	\$50,000.00	\$304.00
125 West Washington Phoenix, Arizona	\$50,000.00	\$304.00
1830 South Lewis Drive Phoenix, Arizona	\$50,000.00	\$304.00
1810 South Lewis Drive Phoenix, Arizona	\$200,000.00	\$304.00
3345 W Durango Phoenix, Arizona	\$50,000.00	\$304.00
222 East Javalina Phoenix, Arizona	\$50,000.00	\$304.00
County Treasurer: 301 West Jefferson	\$100,000.00 coin & currency \$ 75,000.00 Max. check reconstruction	\$304.00
Justice Courts: 2051 West Warner Chandler, Arizona	\$10,000.00	\$304.00
4811 East Julep #128 Mesa, Arizona	\$10,000.00	\$304.00
4109 North 12th Street Phoenix, Arizona	\$10,000.00	\$304.00
One West Madison Phoenix, Arizona	\$10,000.00	\$304.00
6830 North 57th Drive Glendale, Arizona	\$10,000.00	\$304.00
4622 West Indian School Road Phoenix, Arizona	\$10,000.00	\$304.00
10255 North 32nd Street Phoenix, Arizona	\$10,000.00	\$304.00

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11601 North 19th Avenue Phoenix, Arizona	\$10,000.00	<u>\$304.00</u>
7420 West Cactus Road Peoria, Arizona	\$10,000.00	<u>\$304.00</u>
One West Madison Phoenix, Arizona	\$10,000.00	<u>\$304.00</u>
1837 South Mesa Drive Mesa, Arizona	\$10,000.00	<u>\$304.00</u>
1845 East Broadway Tempe, Arizona	\$10,000.00	<u>\$304.00</u>
9550 West Van Buren Tolleson, Arizona	\$10,000.00	<u>\$304.00</u>
122 North Country Club Mesa, Arizona	\$10,000.00	<u>\$304.00</u>
527 West McDowell Road Phoenix, Arizona	\$10,000.00	<u>\$304.00</u>
3629 Civic Center Scottsdale, Arizona	\$10,000.00	<u>\$304.00</u>
217 East Olympic Drive Phoenix, Arizona	\$10,000.00	<u>\$304.00</u>
5222 W Glendale Ave	\$10,000.00	<u>\$304.00</u>
Superior Court: 111 South Third Avenue Phoenix, Arizona, Third Floor	\$20,000.00	<u>\$304.00</u>
3101 East Shea Phoenix, Arizona	\$16,000.00	<u>\$304.00</u>
723 West Dobbins Phoenix, Arizona	\$15,000.00	<u>\$304.00</u>
700 East Jefferson Phoenix, Arizona	\$11,000.00	<u>\$304.00</u>
4520 North Central Avenue Phoenix, Arizona	\$16,000.00	<u>\$304.00</u>
6655 West Glendale Glendale, Arizona	\$34,000.00	<u>\$304.00</u>

3200 North Hayden #165 Scottsdale, Arizona	\$4,500.00	<u>\$304.00</u>
245 N Centennial Way 2nd Fl Mesa, Arizona	\$27,000.00	<u>\$304.00</u>
Library District 17811 North 32nd Street	\$25,000.00	<u>\$304.00</u>

<b>1.8 LOAN CHARGES</b>			
<b>ITEMS</b>			<b>CALCULATIONS</b>
Overdrafts			Federal Funds Rate
			with an Effective Date
			of the Overdraft
Registered Warrant Percentage			
Qualified			64% of Bank's
Unqualified			Floating Reference Rate
Revolving Credit Line (35MM Municipal Line)			64% of Bank's
			Floating Reference Rate
Warrant Float	Monthly Average:	\$17,568,750	Determined by the average daily
			dollar amount presented for
			payment in previous month.
Earnings Credit			3.44 % for September 2005
			Please refer to Earnings Allowance
			Rate Attachment enclosed to view more
			information on the 91 Day T-Bill rates.
Reserve Requirement			10%

Bank of America SHALL provide a **\$1,000,000** credit which can be utilized for account analysis fees and transition costs upon award of the contract. This credit can be applied not only to supplies or service charges, but to offset hardware upgrade and costs such as servers and specialized equipment or to software related to this service.

**1.9 Courier Fees**

Bank of America will provide courier service to Maricopa County and pass related fees for such service to the County's account analysis using the Earnings Credit Rate. Fees for the courier service are listed below:

**1.9.1** Monday thru Friday, *first two scheduled runs;*

\$15.00 per day, \$75.00 for the week

**1.9.2** Monday thru Friday, *third scheduled run, if completed by 2:00 p.m.*

\$10.00 per day, \$50.00 per week

**1.9.3** Monday thru Friday, *third scheduled run if completed after 2:00 p.m.*

\$37.50 per day, \$ 187.50 per week

## 05141 EXHIBIT A1 Pricing Overview

Please find the Bank of America Merchant Services Fee Schedule and the Visa and MasterCard Interchange Sheets. Bank of America is proposing a fee of 10 cents per authorization above our cost (interchange). Calculations will be based on NET sales, not GROSS. This will afford you with the best overall program that you will see. Here's how it would work:

The quote on the Requirements is called "Interchange Plus Assessments". It is a "cost-plus" method that is being selected by many larger merchants as a means to control and understand costs. An example of how it would work for you is this:

Visa offers us a special rate since you are a government entity. On a Visa in-person, swiped transaction or on a MO/TO transaction (mail / phone / internet transactions), you would qualify for a category of pricing called CPS/Retail 2 – effective April 1, 2004. Visa charges us 1.43% plus .0925% in assessment fees, so the total cost to us is 1.5225% plus 5 cents per transaction from Visa. In "Interchange Plus", we would add 10 cents to our cost, no matter what the cost is, so your standard transaction price would be 1.5225% plus 5 cents (for Visa), plus 10 cents for Bank of America for this type of Visa purchase. Frequently, merchants have a difficult time comparing this method of pricing to the bundled pricing that is more commonly used. Using your current average ticket of \$117, this would equate to a bundled rate of 1.6425%.

MasterCard has a special program for government transaction. Alternatively, an in-person, swiped transaction, as well as a MO/TO transaction (mail/ phone / internet transactions) for MasterCard we would start with our basic cost of 1.55% plus .095% in MasterCard assessment fees equaling 1.645% plus 10 cents (for MasterCard), plus 10 cents for Bank of America. This equates to a bundled rate of 1.805% for MasterCard.

While this may not immediately sound as good as lower fixed transaction rate, it is superior when you compare it to a fixed rate *plus surcharges* added. **No additional authorization fees or non-qualifying surcharges will be added.** Many proposals will quote a low discount rate but will include an additional fee for key entered, mail order, phone order or internet transactions. With "interchange plus" pricing, no hidden fees apply. The merchant will pay exactly for the transaction as it qualifies at MasterCard and Visa.

Another advantage of the "Interchange Plus" pricing method includes the benefit of receiving a refund of interchange on credit transactions. The average refund of interchange on a Visa mail order/internet transaction is 2.04%. On an average transaction of \$117, this could equate to a savings of \$2.39 per transaction for Maricopa County. MasterCard provides an interchange refund of 2.09% on a mail order/internet transaction which would result in a savings of \$2.44 on an average ticket of \$117. The refund rate is subject to how the transaction qualifies at the interchange level.

Currently, using the "Interchange Plus" pricing format, you would also benefit from the Wal-Mart vs. Visa / MasterCard settlement. With this system, the rate would be lower for anyone using any type of Visa Check Card or debitcard, even *without* the pin number (and regardless whether they are in person, using over the phone, by mail, or on the internet), your maximum rate if their card was not present would be .80%, plus .0925% in assessment fees, equaling only .8925% plus 25 cents per transaction (to Visa), plus 10 cents per authorization (to Bank of America). Maricopa County's total bundled cost on a Visa checkcard/debitcard (without PIN) would be 1.1825%.

With a MasterCard Check Card, *without* the pin number (and regardless whether they are in person, using over the phone, by mail, or on the internet), your maximum rate would be .80%, plus .095% in assessment fees, equaling only .8950%, plus 25 cents per transaction (to MasterCard), plus 10 cents authorization (to Bank of America). The total bundled cost to The County on a MasterCard checkcard/debitcard (without PIN) would be 1.185% per transaction. So, with this option, The County could possibly save many additional dollars.

For any customer *using their debit card as an on-line debit card (in person, using a pin pad)*, your fee would simply be a flat 60 cents without any additional association or transaction fee. Bank of America offers the benefit of pricing online debit transactions at a flat per transaction rate. The benefit of this pricing is that it takes the merchant out of the need to monitor that each transaction is being routed to the lowest possible regional network. Many consumers have multiple debit networks on a debitcard. For example, a debitcard may have a Pulse and an Interlink "bug" on the card which means the transaction could be routed to either network. Interlink is a higher cost network. Regional network fees + transaction fees pricing requires that the merchant monitor that the transaction is routed to the lower cost regional network. Flat rate fee pricing relieves the merchant from that responsibility.



Discount Rate	Interchange plus assessments	(EXHIBIT A2 AND A3)
Per Transaction Fees		\$ .10 per transaction
Chargeback Fees		\$10.00
Adjustment Fees		\$ 0
Monthly Minimum Fee		Waived
Setup Fee		Waived
Statement Fee		Waived
Help Desk Fee		Waived
Report Fee		\$ 39.99 per user ID

**05141-RFP      EXHIBIT A1**

Maricopa County

Effective Date

01-Nov-05

Legal business name (as it appears on the Merchant Services Account Application)

Bank of America Processing Fees for

Visa and MasterCard transactions:

Interchange category (see attached)

Visa association fees	0.09%	
MasterCard association fees	0.10%	
Bank of America processing fee	\$0.00	
Per Item Authorization fee	\$0.10	
Discoverâ Card/NOVUSSM Card brands	\$0.10	per authorization fee
American Expressâ Card	\$0.10	per authorization fee
Dinersâ Club/Carte Blancheâ discount rate	3.00%	
JCB Card discount rate	3.00%	
Pin Debit Card fees	\$0.60	per transaction plus
	0.00%	of monthly sales
Check Warranty fees	N/A	minimum \$0.50
Electronic Check Service	N/A	per transaction plus
	N/A	of check value
Electronic Benefits Transfer Card	N/A	per transaction fee
Voice Auth Address Verification Service	\$0.50	per call
Return Fee	\$0.00	per item
Service Fees		
Set-up fee (non-refundable)	\$0.00	per new account/location
Monthly minimum discount	\$0.00	per month
Chargeback	\$15.00	per item
Support Package	\$0.00	per month per location
Additional card types	\$15.00	per installation after initial set-up
Special services*		

\* Visa/MasterCard interchange is charged on monthly gross sales. Visa/MasterCard association fees and Bank of America, N.A. processing fees are charged on monthly gross sales.

\* Diners Club/Carte Blanche and JCB Card discount rates are charged on monthly gross sales.

\* Visa/MasterCard discount rates:

if direct marketing merchant, AVS feature is used, including invoice number;  
only one authorization is obtained for the transaction; and transaction is transmitted  
for deposit within 24 hours. If these conditions are not met,  
Visa/MasterCard may assess a transaction surcharge. Interchange rates may vary  
by card type (see attached).

\* American Express and Discover Card/NOVUS Card brands discount rates and fees are established and billed separately by those issuers, who are responsible for settlement, chargebacks, and customer service.

## EXHIBIT A2

MasterCard Rates and Requirements\*

## 2005 MasterCard Interchange Programs

(Effective April, 2005)

Program Rate Category	Credit Card		Check Card		Max Days to Deposit & Settle	MasterCard Transaction Qualification Information
	Fee Per Sales \$	Per Item	Fee Per Sales \$	Per Item		
Small Ticket	N/A	N/A	1.60%	\$0.04	2	Debit transactions. Transaction amount \$15.00 or less. Authorization required. Transportation, Suburban, and Local commuter/passenger. Limousines and Taxicabs, Misc Food stores, Convenience Stores, Markets, Specialty Stores and Vending Machines. Eating Places, Restaurants, Fast Food Restaurants, Automobile Parking Lots and Garages, Motion Picture Theatres, Video Entertainment Rental Stores. Magnetic stripe read.
Petroleum CAT/AFD	N/A	N/A	0.70%	\$0.17	2	Transaction must occur at Cardholder Activated Terminal at an Automated Fuel Dispenser. Must be Authorized. Magnetic stripe read. Cardholder must be present.
Petroleum Service Station	N/A	N/A	0.70%	\$0.17	2	Transaction must occur at Petroleum Service Stations at Automated Fuel Dispensers. Authorization required. Service Stations with or without Ancillary Services. Card and cardholder must be present. Magnetic stripe read except if the transaction is conducted via transponder.
Emerging Markets	N/A	N/A	0.80%	\$0.25	3	Debit transactions. Authorized. Transaction must take place at one of the following merchant locations: Cable, Satellite, and other Pay Television and Radio Stations, Utilities – Electric, Gas, Sanitary, Water. Court Costs, Fines, Bail and Bond payments, Tax payments, Government services. Schools elementary and secondary, colleges, universities, professional schools and junior colleges, schools and educational services not elsewhere classified. Direct marketing insurance services. Insurance sales, underwriting and premiums.
Restaurant	N/A	N/A	1.19%	\$0.10	2	Debit transaction. Authorized. Fast Food, Restaurant or Eating Place merchant. Card and cardholder present and transaction must be magnetic stripe read.
World Restaurant	1.63%	\$0.10	N/A	N/A	2	World Card. Card and Cardholder must be present, must be face to face. For MCC 5812 merchants, only transactions with amount equal to or less than \$60.00 will be accepted.
World Merit III	1.73%	\$0.10	N/A	N/A	2	World Card at a non-T&E Merchant. Card Present/Magnetic Stripe Read/Signature Obtained/Authorized.
World Key-Entered	2.05%	\$0.10	N/A	N/A	2	World Card at a non-T&E Merchant. Key entered due to inability to read magnetic stripe. All requirements of Merit 3 except magnetic stripe read. Direct Marketing, Quasi-Cash, specific Transportation and specific Service Industry merchants are not eligible for this rate.
World Merit I	2.05%	\$0.10	N/A	N/A	3	World Card at a non-T&E Merchant. Authorized except for Quick Payment Service transactions. Mail or Phone order. Not magnetic stripe read and does not meet Key-Entered requirements. Does not meet Travel Industries Premier Service requirements. Transaction date is three (3) days old.
World Convenience Purchases	2.00%	N/A	N/A	N/A	2	World Card at a non-T&E Merchant. Fast Food (5814), Misc. Food Store (5499), Service Station (5541), Automated Fuel Dispenser (5542) and Movie Theater Merchants. Same requirements as Merit 3. Transactions initiated by a transponder without magnetic stripe data.
World Public Sector	1.55%	\$0.10	N/A	N/A	3	World Card at a non-T&E Merchant. Court Costs including Alimony and Child Support, Fines, Bail and Bond Payments, Tax Payments, and Government Services not elsewhere classified. MasterCard Consumer Card. Authorization amount must equal transaction amount. Magnetic stripe read not required.
World Standard	2.90%	\$0.10	N/A	N/A	30	World Card at a non-T&E Merchant. Transaction date is more than three (3) days old. Authorization is Referral/Voice-Authorized. Not Authorized.
World Supermarket	1.53%	\$0.05	N/A	N/A	2	World Card at a non-T&E Merchant. Merchant is certified with MasterCard. Same requirements as Merit 3. Maximum charge \$0.35.
World Warehouse Club	1.53%	\$0.05	N/A	N/A	2	World Card at a non-T&E Merchant. Warehouse Club merchant. Merchant must be registered at MasterCard. Same requirements as Merit 3. Transaction completed with MasterCard Corporate products may also qualify for this rate. Maximum charge \$0.35.
Merit III	1.63%	\$0.10	1.05%	\$0.15	2	Card Present/Magnetic Stripe Read/Signature Obtained/Authorized.
Key Entered	1.95%	\$0.10	1.64%	\$0.16	2	Key entered due to inability to read magnetic stripe. All requirements of Merit 3 except magnetic stripe read. Direct Marketing, Quasi-Cash, specific Transportation and specific Service Industry merchants are not eligible for this rate.
Merit I	1.95%	\$0.10	1.64%	\$0.16	3	Authorized except for Quick Payment Service transactions. Mail or Phone order. Not magnetic stripe read and does not meet Key-Entered requirements. Does not meet Travel Industries Premier Service requirements. Transaction date is three (3) days old.
Convenience Purchases	1.90%	N/A	N/A	N/A	2	Fast Food (5814), Misc. Food Store (5499), Service Station (5541), Automated Fuel Dispenser (5542) and Movie Theater (7832) Merchants. Less than \$37.03. Same requirements as Merit 3. Transactions initiated by a transponder without magnetic stripe data.
Warehouse Club	1.43%	\$0.05	1.05%	\$0.15	2	Warehouse Club merchant. Merchant must be registered at MasterCard. Same requirements as Merit 3. Transaction completed with MasterCard Corporate products may also qualify for this rate. Maximum charge \$0.35.
Travel Industries Premier Service	1.74%	\$0.10	1.36%	\$0.15	2	Hotel or Car Rental merchant. Merchant must be certified with MasterCard. Authorized. Card present, signature obtained. Does not have to be magnetic stripe read. For Hotels: arrival date, departure date, folio numbers are required. For Car Rental merchants: Rental Agreement, Rental Name, Rental Return City, Rental Return State, Rental Return Date, Rental Return Location Identifier are required.
Passenger Transport	1.83%	\$0.10	1.60%	\$0.15	2	Airline or Passenger Railway merchant. Authorized. Magnetic stripe read not required. Itinerary required including Ticket Number, Passenger Name, and Trip Leg Data.

## EXHIBIT A2

### 2005 MasterCard Interchange Programs

(Effective April, 2005)

## MasterCard Rates and Requirements\*

Supermarket	1.43%	\$0.05	1.05%	\$0.15	2	Merchant is certified with MasterCard. Same requirements as Merit 3. Maximum charge \$0.35.
Standard	2.70%	\$0.10	1.90%	\$0.25	30	Transaction date is more than three (3) days old. Authorization is Referral/Voice-Authorized. Not Authorized.
World T&E	2.30%	\$0.10	N/A	N/A	3	Restaurant (MCC 5812 Transactions over \$60.00), Hotel, Car Rental, or Passenger Railway. World Card. Authorized. For Hotel: arrival date, departure date, folio numbers are required. For Car Rental merchants: Rental Agreement, Renter Name, Rental Return City, Rental Return State, Rental Return Date, Rental Return Location Identifier are required. For Passenger Railway, same requirements as Passenger Transport.
Public Sector	1.55%	\$0.10	N/A	N/A	3	Court Costs including Alimony and Child Support, Fines, Bail and Bond Payments, Tax Payments, and Government Services not elsewhere classified. MasterCard Consumer Card. Authorization amount must equal transaction amount. Magnetic stripe read not required.
Intrachange	1.54%	\$0.10	N/A	N/A	2	All U.S. and International Consumer and Commercial Credit and Debit transactions that reject upon settlement.
<u>International Consumer Card Programs</u>						
International Electronic	1.37%	N/A	N/A	N/A	5	Card issued in a foreign country. Same requirements as Merit 3.
International Standard	2.10%	\$0.10	N/A	N/A	5	Card issued in a foreign country. Transaction date more than five (5) days old. Not authorized.
<u>U.S. Corporate Card Programs</u>						
Corporate Large Ticket	1.20%	\$40.00	N/A	N/A	30	MasterCard Business, Corporate, Purchasing, or Fleet Card. Authorized. Purchase Card and Fleet Card transactions must contain tax amount and customer code. Restaurant, Hotel, Car Rental, and Passenger Transport merchants are not eligible for this rate.
Corporate Face-to-Face	1.95%	N/A	N/A	N/A	2	MasterCard Business, Corporate, Purchasing, or Fleet Card. Same requirements as Merit 3. Purchase Card and Fleet Card transactions must contain tax amount and customer code. Restaurant, Hotel, Car Rental, and Passenger Transport merchants are not eligible for this rate.
Corporate Data Rate III	1.75%	N/A	N/A	N/A	3	MasterCard Purchasing or Fleet Card. Authorized. Must contain tax amount and customer code and line item transaction detail. Restaurant, Hotel, Car Rental, and Passenger Transport merchants are not eligible for this rate.
Corporate Data Rate II	1.95%	N/A	N/A	N/A	3	MasterCard Purchasing or Fleet Card. Authorized. Must contain tax amount and customer code. Restaurant, Hotel, Car Rental, and Passenger Transport merchants are not eligible for this rate.
Corporate Data Rate I	2.65%	\$0.10	N/A	N/A	3	MasterCard Business, Corporate, Purchasing, or Fleet Card. Authorized. Does not meet Corporate Face-to-Face requirements. Restaurant, Hotel, Car Rental, and Passenger Transport merchants are not eligible for this rate.
Corporate T&E I	2.35%	N/A	N/A	N/A	2	Restaurant, Hotel, Car Rental, and Passenger Transport merchant. MasterCard Business, Corporate, Purchasing, or Fleet Card. Authorized.
Corporate T&E II	2.20%	\$0.10	N/A	N/A	2	Hotel, Car Rental or Passenger Transport merchant. Same requirements as Corporate T&E I rate. For Hotels: arrival date, departure date, and folio number are required. For Car Rental merchants: Rental Agreement, Renter Name, Rental Return City, Rental Return State, Rental Return Date, Rental Return Location Identifier are required. For Passenger Transport merchants, full itinerary required including ticket number, passenger name, and trip leg data.
Corporate T&E III	2.15%	\$0.10	N/A	N/A	3 (9 for Airlines)	Airline, Passenger Transport, Lodging, Vehicle Rental. MasterCard Purchasing or Fleet Card. Magnetic stripe read not required. Additional data fields required in authorization and settlement.
Corporate Standard	2.70%	\$0.10	N/A	N/A	30	MasterCard Business, Corporate, Purchasing, or Fleet Card. Authorization is Referral/Voice-Authorized. Not authorized.
<u>International Corporate Card Program</u>						
International Corporate Data Rate II	1.55%	N/A	N/A	N/A	5	MasterCard Purchasing or Fleet Card issued in a foreign country. Authorized. Must contain tax amount and customer code.
International Corporate Purchasing Large Ticket	0.75%	\$30.00	N/A	N/A	30	MasterCard Purchasing or Fleet Card issued in a foreign country. Authorized. Must contain tax amount and customer code. Restaurant, Hotel, Car Rental and Passenger Transport merchants are not eligible for this rate.
International Corporate Purchasing	2.15%	N/A	N/A	N/A	30	MasterCard Purchasing or Fleet Card issued in a foreign country. Authorized.
International Corporate	2.15%	N/A	N/A	N/A	30	MasterCard Business, Corporate, Purchasing or Fleet Card issued in a foreign country. Authorized.

## EXHIBIT A3

Visa Rates and Requirements\*

## 2005 Visa Interchange Programs

(Effective April, 2005)

Program Rate Category	Credit Card		Check Card		Max Days to Deposit & Settle	Visa Transaction Qualification Information
	Fee Per Sales \$	Per Item	Fee Per Sales \$	Per Item		
CPS/Retail	1.54%	\$0.10	1.03%	\$0.15	2	Consumer Traditional Card. Card Present/ Magnetic Stripe Read/ Signature Obtained/ Authorized. For Hotel and Car Rental merchants: Folio/ Rental Agreement number and check-in/ check-out dates required. For Passenger Transport merchants: full itinerary required, including ticket number, passenger name, and trip leg data. Authorization amount must equal settlement amount on check card transactions.
CPS/Rewards 1	1.65%	\$0.10	N/A	N/A	2	Consumer Traditional Rewards card that meet existing requirements for CPS/Retail, CPS/Supermarket, CPS Retail Service Station, and CPS/Automated Fuel Dispenser. Transactions processed from Visa Signature or Infinite cards by NON-T&E merchants.
CPS/Rewards 2	1.90%	\$0.10	N/A	N/A	2	Consumer Traditional Rewards card that meet existing requirements for CPS/Card Not Present, CPS/Retail Key Entry, and CPS/E-Commerce Basic. CPS/E-Commerce: Hotel/Car Rental, & Passenger Transport, CPS/ Hotel/Car Rental: Card Present/Card Not Present, and CPS/Passenger Transport and CPS/Restaurant. Signature and Infinite cards that meet existing CPS/Card Not Present, CPS/Retail Key Entry, and CPS/E-Commerce Basic by NON-T&E merchants.
CPS/Restaurant	1.54%	\$0.10	1.19%	\$0.10	2	Consumer Traditional Card. Same requirements as CPS/Retail. Authorization does not have to match transaction amount. Authorization and magnetic stripe required.
CPS/Retail Service Station	1.43%	\$0.10	0.70%	\$0.17	2	Consumer Traditional Card. Same requirements as CPS/Retail. Authorization and magnetic stripe required.
CPS/Small Ticket	1.65%	\$0.04	1.60%	\$0.04	2	Traditional, Traditional Rewards, Signature and Infinite consumer cards. Card present/ magnetic stripe read and authorized. Signature not required. Eligible merchants include: local commuter transport (4111), taxi cabs and limousines (4121), restaurants (5812), fast food restaurants (5814), parking lots and garages (7523), motion picture theaters (7832), videotape rental stores (7841). Transaction amount must be less than or equal to \$15.00.
CPS: Card Not Present	1.85%	\$0.10	1.60%	\$0.15	2	Consumer Traditional Card. Card Not Present/ Signature Not Obtained/ Mail or Phone Order, Address Verification Required. Authorized. Invoice number required. Authorization amount must equal transaction amount.
CPS: E-commerce Basic	1.85%	\$0.10	1.60%	\$0.15	2	Consumer Traditional Card. Same requirements as CPS/ Card Not Present. E-commerce requires additional data fields in authorization and settlement. Authorization required.
CPS: E-commerce Preferred	1.80%	\$0.10	1.55%	\$0.15	2	Traditional, Traditional Rewards, Signature and Infinite consumer cards. Same requirements as E-commerce Basic, except require Cardholder Authentication Value (CAVV) and Address Verification. Authorization required. Requires Verified by Visa.
CPS/Retail – Key Entered	1.85%	\$0.10	1.60%	\$0.15	2	Consumer Traditional Card. Key-entered due to inability to read magnetic stripe. All requirements of CPS/ Retail except magnetic stripe read. Address Verification Required with a positive match on Zip Code or full address. Automated Fuel, Direct Marketing, Quasi-Cash, and Cardholder Activated Terminal merchants are not eligible for this rate. Authorization required.
CPS Hotel/Car Rental: Card Not Present, E-commerce Preferred	1.58%	\$0.10	1.36%	\$0.15	2	Consumer Traditional Card. Hotel/ Car Rental merchant. Authorized. Card not present. Estimated length of stay required in authorization. Folio/ Rental Agreement number, no show indicator, and check- in/ check- out dates required. One or more authorizations obtained. Authorization amount within 15% of transaction amount. Authorization date is more than one (1) day apart from transaction date. E-commerce requires additional data fields in authorization and settlement.
CPS Hotel/Car Rental: Card Present	1.58%	\$0.10	1.36%	\$0.15	2	Consumer Traditional Card. Hotel/ Car Rental merchant. Authorized. Card is present. Magnetic stripe read and signature obtained. Estimated length of stay required in authorization. Folio/ Rental Agreement number, no show indicator, and check-in/ check-out dates required. One or more authorizations obtained. Authorization amount within 15% of transaction amount. Authorization date is more than one (1) day apart from transaction date.
CPS/Retail 2	1.43%	\$0.05	0.80%	\$0.25	2	Traditional, Traditional Rewards, Signature and Infinite consumer cards. Emerging market merchant including Government Offices, Schools, Utilities, Insurance, Cable, and Other TV Services. Same requirements as CPS/ Retail except magnetic stripe read not required, or CPS Card Not Present, or CPS Retail Key-Entered. Authorization required.
CPS/Supermarket	1.24%	\$0.05	1.03%	\$0.15	2	Consumer Traditional Card. Merchant is certified with Visa. Same requirements as CPS/ Retail. Authorization and magnetic stripe required. \$0.35 cap maximum charge per transaction.
CPS/Automated Fuel Dispenser	1.50%	\$0.05	0.70%	\$0.17	2	Consumer Traditional Card. Fuel Dispensing merchant who is certified with Visa. Same requirements as CPS/ Retail except signature obtained. Must be less than or equal to \$75.00. May be authorized for full amount or for \$1.00. Magnetic stripe required.

## EXHIBIT A3

## Visa Rates and Requirements\*

## 2005 Visa Interchange Programs

(Effective April, 2005)

CPS/Passenger Transport, E-commerce, Preferred	1.75%	\$0.10	1.60%	\$0.15	8	Consumer Traditional Card. Airline or Passenger Railway merchant. Authorized. Does not have to be magnetic stripe read. Address Verification or preferred Customer indicator required. Full itinerary required including ticket number, passenger name, and trip leg data. One (1) or more clearing records for a single authorization. E-commerce requires additional data fields in authorization and settlement.
Utilities Program	N/A	\$0.75	NA	\$0.75	2	Merchant category code of 4900 registered with Visa and has a Utility Program M/V/V. Applies to Consumer Credit and Debit card transactions including Traditional, Traditional Rewards, Signature and Infinite consumer cards. Same requirements as CPS/Retail 2, CPS/CNP, CPS/E-Commerce Basic or Preferred, CPS/Retail, and CPS/Retail Key-Entered.
Express Payment Service	2.00%	\$0.02	1.95%	\$0.02	2	Traditional, Traditional Rewards, Signature and Infinite consumer cards. Specific restaurants, movie theater, or parking lot. Magnetic stripe required. Specific product requirements must be met.
Electronic (EIRF)	2.30%	\$0.10	1.75%	\$0.20	3	Key-Entered due to unreadable magnetic stripe and did not meet CPS/ Retail Key-Entered requirements. Authorized. Mail or phone order and did not meet CPS/ Card Not Present requirements. Did not meet other CPS market specific requirements. Authorization is Referral/ Voice-Authorized transaction. Transaction date is three (3) days old. Signature or Infinite cards CPS qualified at a T&E Merchant: Airlines, Passenger Railway, Cruise Lines, Lodging, Car Rental, Eating Establishments: Restaurant, Fast Food and Bar.
Intrachange	1.54%	\$0.10	N/A	NA	2	All U.S. and International Consumer and Commercial Credit and Debit transactions that reject upon settlement.
Standard	2.70%	\$0.10	1.90%	\$0.25	30	Transaction date is more than three (3) days old, Not authorized. Limited Acceptance merchants who process transactions on card products they chose not to accept will downgrade to standard rates. Signature or Infinite cards NOT CPS qualified at a T&E Merchant: Airlines, Passenger Railway, Cruise Lines, Lodging, Car Rental, Eating Establishments: Restaurant, Fast Food and Bar.
<b>Foreign</b>						
Standard	1.60%	N/A	N/A	N/A	30	Visa Card issued in a foreign country. Authorization required.
Electronic	1.10%	N/A	N/A	N/A	3	Card Present/ Magnetic Stripe Read/ Signature Obtained/ Authorized. Visa Card issued in a foreign country.
<b>Commercial</b>						
Commercial Card Level 2	1.90%	\$0.10	1.90%	\$0.10	2	Business, Corporate and Purchasing Cards, GSA Purchasing Cards, CPS requirements met, Non-Travel Services transactions, Level 2 data required. (Level 2 or Level 3 data for GSA Purchasing).
Commercial Card Level 3	1.70%	\$0.10	1.70%	\$0.10	2	Non-GSA purchasing cards. CPS requirements met, Non-Travel Services transactions, Level 2 & 3 required.
Commercial Foreign	1.80%	N/A	N/A	N/A	30	Visa Business, Corporate, or Purchasing Card issued in a foreign country. Authorization and magnetic stripe required.
Commercial Electronic	2.20%	\$0.10	2.20%	\$0.10	2	Visa Business, Corporate, or Purchasing Card. Same requirements as EIRF.
Commercial Standard	2.70%	\$0.10	2.70%	\$0.10	30	Visa Business, Corporate, or Purchasing Card. Transaction date is more than two (2) days old. Not authorized. Limited Acceptance merchants who process transactions on card products they chose not to accept will downgrade to standard rates.
<b>Large Ticket</b>						
GSA Purchasing Card/ US Purchasing Card	0.95%	\$35.00	N/A	N/A	30	CPS Requirements and both level 2 and level 3 additional data requirements. For GSA transactions \$8,750.00 or greater, a rate of 1.35% will apply. Authorization required. Must be registered with Visa for US Purchasing Card program.

## EXHIBIT B

### 1.0 **OFFERED SERVICES - OVERVIEW**

Bank of America hereby agrees to provide the following programs and services:

Bank of America Direct  
Depository Services  
Full Account Reconciliation with Positive Pay  
Controlled Disbursement Service  
Overnight Investment Sweep  
Lockbox Services

The following specific programs and services will be available:

#### *Electronic Return Item Notification-ERIN*

- Bank of America offers Electronic Return Item Notification (ERIN) as a means for the Treasurer to receive timely notification of items returned for reasons including insufficient funds.

#### *Remote Payments Online- RPO*

- Remote Payments Online links to the Treasurer's Internet site and provides an Internet-based payment solution, ACH Debit and Credit Card, as well a telephone option.

#### *Remote Deposit Service*

- A desktop application that allows the Treasurer to electronically clear checks through Accounts Receivable Check Transaction (ARC) and Check Truncation (Check 21)
- Conversion of eligible consumer checks to ACH transactions
- Use of image-based technology to process business checks as substitute checks or Image Replacement Documents (IRD's)

#### *PayMode Concentrator*

- Paymode Concentrator – a component of the Paymode service – provides clients with a reliable, secure and integrated collection of home banking payments in a format that can be easily processed by their accounts receivable system.

#### *Cash Pay*

- Bank of America offers a card-based payment solution in the form of CashPay, a Visa-branded card that is designed for the disbursement of payroll for clients who wish for a paperless option to pay employees who are not on direct deposit or who choose not to have an account.

*Bulk File Image Transmission with CompuThink*

- This service will give the Treasurer the ability to receive images in a bulk file format and retrieve images of paid warrants and checks.

*Controlled Disbursement*

- This service offers an insulated controlled disbursement point in order to provide the Treasurer with same-day check clearing information as early in the day as possible.

*Zero Balance Account*

- Zero balance accounts (ZBAs) can help eliminate overdraft charges by automatically concentrating balances from a designated group of accounts to a master account, leaving zero balances in the related accounts through a series of contra entries.

## 2.0 **SCOPE OF SERVICES**

### 2.1 **Deposits**

- 2.1.1 The Treasurer will deposit cash and checks with Bank of America on a daily basis. The deposits represent tax payments or revenues to the Treasurer and/or any of its political subdivisions.
- 2.1.2 Additionally, the Treasurer will deposit large United States Treasury, State of Arizona, or taxpayer checks with the bank immediately upon receipt to expedite the use of the funds the next day. This may result in more than one deposit per day. The Treasurer may deposit large dollar checks with special handling procedures to assure these are “collected funds” as expeditiously as possible.
- 2.1.3 All banking centers located within the State of Arizona offer same-day credit on deposits made at banking centers up to the closing time of the facility. The Treasurer can make deposits at any of Bank of America’s banking centers within the State of Arizona.
- 2.1.4 For deposits picked up by armored carrier, the deposits will be delivered to the Bank of America Tempe Cash Vault for processing.
- 2.1.5 Vault deposits must be presented in tamper-resistant, plastic bags provided by Bank of America or another private vendor of the Treasurer’s choice. Bank of America requires the use of tamper-evident plastic bags for vault processing. If deposits include checks, two pocket bags are requested, to allow our cash vault associates to separate the un-encoded checks and deposit ticket and then forwarded the items on to the proof-area of the vault for further processing and verification purposes. Bank of America’s standard tamper-evident plastic cash bag holds up to \$25.00 in coin. If the amount of coins should exceed this amount, Bank of America requires that the coins be batched separately in generic canvas bags. Whenever possible, currency should be strapped 100 bills per strap to minimize the fees associated with deposit processing. If requested, Bank of America will provide ongoing deposit preparation training to Treasurer personnel.



- 2.1.6 Bank of America will accept bulk coin, currency, envelopes, and checks for same-day deposit at any of its vault locations. Access to Bank of America's vault locations is restricted to **commercial** armored carriers. While a carrier waits, vault personnel verify incoming bags against the carrier manifest.
- 2.1.7 Deposits are logged under dual control, tracked via a unique bag number, and then assigned to a **clerk**. Deposits received by the vault location deadline are posted for same-day ledger credit and verified within 24 hours. If exceptional volumes delay the counting of any deposits until the following business day, Bank of America will give provisional credit to the account using the total listed on the deposit ticket.
- 2.1.8 Bank of America's will offer its QBD service with which the Treasurer can make deposits at any **Arizona** banking center during business hours and receive provisional same-day credit and a deposit receipt without waiting for teller verification. Additionally, deposits can be made using a Bank of America's night drop depository box, which are located at most of our banking centers. If a night drop deposit is made before posted deadlines—generally 7:00 a.m. MT Monday through Friday—the deposit is posted to the Treasurer's account that business day. For deposits dropped after 7:00 a.m. MT over the weekend, or on a banking holiday, Bank of America will provide credit the next business day.
- 2.1.9 Bank of America posts deposits brought to a banking center by the local deposit deadlines for same-day ledger credit. Cash will be counted within 24 hours, but Bank of America requests the Treasurer deposit no more than two business days of ledger credit.
- 2.1.10 With the QBD service, Bank of America will provide the Treasurer with special QBD bags, which each have two pockets. Bank of America requires that the following measures be met by the Treasurer for the security of its deposits:
  - Use one pocket to secure un-encoded checks, as well as the completed deposit ticket
  - In the top tamper-evident pocket, place coin and currency and seal the contents
  - Write the deposit information on the bag itself. A tear-off strip on the bag provides a tracking number to facilitate inquiries or investigations and provide an audit trail.
- 2.1.11 Bank of America sends un-encoded checks to the proof area, along with the deposit ticket and tape listing. Pre-encoded checks received at a banking center are forwarded to item processing and, therefore need to be placed in a separate package with a special deposit ticket. Bulk coin deposits, which have a total value greater than \$10, must be deposited in canvas bags.
- 2.1.12 When the verified cash amount and the total recorded on the deposit ticket differ, an adjustment is made to the deposit account. If the discrepancy differs by \$100 or more, the discrepancy is verified under dual control. Deposit correction notices (DCNs) are prepared on all discrepancies to adjust the account balance, and notification of the DCN is faxed to the designated contact the morning after verification, usually by 6:00 a.m. MT.

### **3.0 WARRANTS**

The Treasurer uses two types of warrants: "encoded" and "nonencoded." Regular or "encoded" warrants are computer produced, colored and micro-encoded in magnetic ink. "Nonencoded" warrants are not currently electronically processed by the Treasurer and are issued by several governmental entities, such as special improvement districts, volunteer fire districts, etc. Bank of America agrees to process both types of warrants.

Bank of America agrees to provide special messenger service upon request at no additional cost to the Treasurer.

**3.1 Encoded Warrant Processing**

- 3.1.1 Bank of America agrees to sort and image encoded warrants in sequence by type, year and warrant number. These warrants will be either physically or electronically transmitted, at the option of the Treasurer, by 10:00 a.m. each day to the Treasurer.
- 3.1.2 Bank of America shall provide a daily transmittal list, showing warrant number and each warrant amount that shall accompany the warrants. Major totals shall be shown controlling the two (2), high order positions of warrant number and a grand total. The last page of the warrant transmittal listing shall contain the total warrant count and amount by type, and the grand total count and dollar amount.
- 3.1.3 Bank of America shall provide daily transmission, showing detail of the warrants submitted for Encoded Classifications 1-9. The transmission must meet the technical specifications necessary to be read by the Treasurer's data processing equipment. The Treasurer will transmit data electronically to the bank showing warrants that must be registered by 11:00 a.m. for the previous day's warrants.
- 3.1.4 Bank of America will provide the Treasurer with a Browser-Secured File Transfer option using Secure Socket Layers (SSL) to encrypt the data. HTTPS provides end-to-end file integrity and strong authentication. Bank of America will provide the Treasurer with a unique login ID and password which is required each time to connect to the Bank's transmission platform to send or receive files. The Bank will also offer FTP with PGP encryption or FTP over a VPN for a more automated solution.
- 3.1.5 Bank of America will match the serial numbers and amount of each warrant for the Treasurer. The Bank's automated system will compare the Treasurer's electronic files of warrant issue information with our record of paid warrants. The Treasurer can send the Bank electronic files of warrant issue information directly from its PC or mainframe via data transmission in a wide range of protocols. The Bank's system will then generate reconciliation reports listing paid warrants, outstanding warrants, voids, and stop payments.

**3.2 Non-Encoded Warrant Processing**

- 3.2.1 Non-encoded warrants are transmitted to the Treasurer through a bank transmittal, Bank Trust Receipt, or Trust Billing, and are noted as "non-encoded warrants." These are not to be included in the daily-encoded warrant activity transmission or warrant listing. In addition, non-encoded warrants are not included in the daily warrant clearing activity.
- 3.2.2 Non-encoded warrants will be delivered to the Treasurer daily via courier. The non-encoded warrants will be separated from the encoded transactions. Non-encoded warrants will be presented to the Treasurer at the same time encoded warrants are presented.
- 3.2.3 A copy of any corrections will be returned to the bank with the warrant payment.

- 3.2.4 The original copy of the transmittals will be retained by the Treasurer for record retention purposes.
- 3.2.5 Warrants processed by the bank shall be paid against a clearing account that is credited with the Treasurer's payment on the following day.
- 3.2.6 To offset any potential negative float impact, Bank of America will provide a Warrant Compensation Account in addition to the Warrant Clearing Account, at the discretion of the Treasurer. The required balance in the Warrant Compensation Account is determined by the average daily dollar amount presented for payments in the previous month.

**3.3 The Process of Paying Warrants**

- 3.3.1 Bank of America shall pay for all warrants on the date the warrants are presented to the bank. On the next morning, the bank shall transmit the warrant information to the Treasurer. The Treasurer will pay all of the warrants the day they are received. The Treasurer will compare the warrant information as received from the bank to the detailed information received from the department/school district that issued the warrant. Any discrepancies will be promptly researched. Registered warrants will be identified when the warrants are processed on the Treasurer's system. The following day the registered warrants and any discrepancies will be adjusted from the current day's warrant payment to the bank.
- 3.3.2 The current policy is that all warrants are submitted to the Treasurer for original payment. If a warrant is "registered," only a computer-generated report is submitted to the bank for processing. The actual warrants are not resubmitted to the bank as collateral for the registered borrowings.
- 3.3.3 The Treasurer will not pay any warrant until the actual warrant is presented to the Treasurer. Bank of America will physically deliver the warrants via courier. In lieu of presentment of a physical warrant, Bank of America may present an electronic image of the warrant with approval of the Treasurer.
- 3.3.4 Bank of America will image all items and will retain images for seven years.
- 3.3.5 The warrants, transmittal listing and images, if utilized, must be delivered to the Treasurer in identical warrant number sequence. With Bulk File Image Transmission the bank will send the Treasurer transmittal listing and images as requested.
- 3.3.6 This service will give the Treasurer the ability to receive images in a bulk file format and retrieve images of paid warrants and checks. Bank of America can transmit the images to the Treasurer daily. Images are sent in a standard TIFF format and may be downloaded to the the Treasurer's archive system. Bank of America currently offers File Transfer Protocol (FTP) and Browser-Secured File Transmission (HTTPS) transmission protocols. Bank of America is also developing transmission protocols to take advantage of the emerging XML technologies.
- 3.3.7 Bank of America will provide the daily warrant activity printout with the warrants.
- 3.3.8 The warrants will be charged against two (2) clearing accounts; one for County warrants and the other for school district warrants. The Treasurer

will pay the bank with checks each day for the total warrants processed, less any registered warrants. The bank will then deposit the checks in the proper clearing account in order to zero out the account each day

- 3.3.9 Bank of America agrees to image encoded warrants. Bulk File Image Transmission will provide the solution for the images to be read and stored on the Treasurer's system. Bank of America can also provide images on CD-Rom.

### 3.4 **Bank Reconciliation**

- 3.4.1 Bank of America agrees to provide bank reconciliation services as agreed to between the bank and the Treasurer. This may include Bank of America's Account Reconciliation Product (ARP), full or partial, or any other services deemed appropriate by the Treasurer.

### 3.5 **Use of Credit Lines**

- 3.5.1 Bank of America will establish a line of credit for each district and accept the Treasurer's current policy regarding the submission of registered warrants pursuant to A.R.S. § 11-604.01(A). In the event that there are warrants for which sufficient funds are not available, these warrants will be treated as an advance against the line of credit and will be recorded as a borrowed amount for each district. The interest rate charged for these advances will be 64% of the bank's Floating Reference Rate which is synonymous with the term "Prime Rate". This process will be recorded and transmitted electronically via a method of the Treasurer's choice.
- 3.5.2 If the limits of the line of credit referenced herein are exceeded or otherwise not met under A.R.S. § 11-635, a "registered" warrant shall be the basis of credit line borrowing for school districts. Warrants are presented to the Treasurer by the bank daily. The Treasurer will then process the warrants and will determine which of the districts do not have sufficient monies in their funds to cover the warrants paid. The individual registered warrant information (i.e., warrant number, amount, name, date, school district, fund, etc.) will be transmitted electronically to the bank. The Treasurer will deduct this registered amount from the subsequent day's warrant payment.
- 3.5.3 As monies are received for each district, the Treasurer will calculate the amount available to pay registered warrants. The warrants are called in order by date and number that they are registered. Each warrant is paid with the respective interest calculated at the qualified rate.
- 3.5.4 All lines of credit, with the exception of the \$35 million line of credit to the County referenced in paragraph XVI below, are subject to credit approval after individual districts are analyzed and underwritten.

## 4.0 **BANKING ACCOUNTS**

The Treasurer currently administers over 116 separate accounts, in addition to Bank of America account. The collected balances on all depository accounts will be included in the monthly collected balance for the Treasurer's servicing account. All collected balances will be applied to the Treasurer's earnings credit. This earnings credit shall be

cumulative, month-to-month, over the course of the contract. Bank of America shall provide a month-to-month settlement of accounts to the Treasurer.

#### 4.1 **Compensating Balances**

Compensating balances are collected balances maintained in non-interest bearing accounts adjusted to meet the Federal Reserve requirements. The compensating balance requirement for a given month varies based upon the current earnings allowance rate and services used. The Earnings Allowance Rate (EAR) is a variable rate. The rate will be established monthly. Collected balances are ledger balances adjusted for float. Float is assigned to deposits based on Bank of America's published Availability Schedule. Should the Treasurer decide to use this payment option, average monthly volumes could be analyzed to determine the approximate amount needed to offset all monthly Account Analysis fees.

#### 4.2 **Combination of Compensating Balances and Direct Billing Methods**

By using a combination of the Compensating Balance and Direct Billing methods of service fee compensation, the Treasurer could have some Account Analysis fees offset with the Earnings Allowance Rate credit and pay hard dollars for any remaining fees due. Bank of America will provide the Treasurer with an annual settlement.

- 4.2.1 Additionally, Bank of America offers the Treasurer an exception Earnings Allowance Rate (EAR) that is based on the prior month's average weekly auction rates of the 91-Day T-Bill.

#### 4.3 **Formula for Calculating the Earnings Credit**

- 4.3.1 The following are the complete formulas and an explanation of terminology and methodology that will be used to determine the Treasurer's Earnings Allowance each month.

**Ledger Balance** – This is the average ledger balance on the account, calculated by totaling the daily ending ledger balance for each day of the month and dividing that total by the number of days in the month.

**Collected Balance** – The average collected balance is the difference resulting from subtracting the average **Float** from the average Ledger Balance.

**Investable Balance** – The balance used to calculate earnings for the current month. It is calculated as follows:

Average Positive Collected Balance – Balance Reserve Required

**Earnings Allowance Rate** – The Earnings Allowance Rate (EAR) on your account is used to calculate your earnings Allowance which is based on your average investable balance. The EAR may vary. When determining the standard EAR rate, Bank of America considers a number of prevailing market indicators.

**Earnings Allowance** – The current month's earnings are calculated on the Investable Balance as follows:

- a) Daily EAR Factor (rounded to 8 decimal places)

$$\frac{\text{EAR} \times \text{Days in Month}}{\text{Days in Year}}$$

Days in Year

- b) Earnings Allowance (rounded to 2 decimal places)

$$\text{Daily EAR Factor} \times \text{Investable Balance}$$

The average positive collected balance amount required to compensate for each \$1.00 of service; based on the current month's EAR is called the multiplier. The multiplier must be calculated in two steps as shown:

- a) Daily EAR Factor (rounded to 8 decimal places)

$$\frac{\text{EAR} \times \text{Days in Month}}{\text{Days in Year}}$$

Days in Year

- b) Multiplier (truncated to 10 decimal places)

$$\frac{1}{\text{Daily EAR Factor}}$$

Daily EAR Factor

To arrive at the balance required to compensate for service charges:

$$\text{Service Charge} \times \text{Multiplier}$$

(Rounded to 2 decimal places)

#### 4.4 **Overdrafts**

Bank of America does not charge for daylight overdrafts. Accounts with a ledger balance overdraft position at opening of any business day will be assessed an interest charge based upon the Federal Funds Rate effective at the time of occurrence. This fee is applied as a soft-dollar charge to the Treasurer's account analysis. The bank requires any overdraft balance position to be funded within 24 hours.

#### 4.5 **Stop Payments**

- 4.5.1 Through Bank of America Direct, Payments Direct, the Treasurer can place stop payments online directly into the bank's system. The Treasurer can process stop payments through the Internet with Bank of America Direct or by contacting the Treasurer's dedicated Sales Support Associate.

Bank of America recommends that stop payments be initiated electronically via Payments Direct. Payments Direct offers the Treasurer access to search paid check history and allows the Treasurer to view copies of paid checks and to initiate stop payments where appropriate. Payments Direct Stop Payments allows authorized users to:

- Search for paid items
- Initiate stop payments
- Receive online confirmations

- Track the status of stop payments
- Cancel stop payments

4.5.2 The Treasurer may request photocopies of paid items or view images online.

4.5.3 With Payments Direct, Stop Payment Service, the Treasurer can place stop payment requests directly into the bank's stop payment network files from the Internet. Stop payments may be placed for 12-, 18-, 24-, and 36-month durations. No renewal fees or charges will be imposed for the period of the initial duration. This screen may be printed as verification of the stop payment request.

4.5.4 Confirmation of stop payments will be delivered online within minutes of release to the bank. When the Treasurer returns to the main screen of Bank of America Direct or logs in the next time, the screen will display the list of confirmed stop payments.

4.5.5 If an emergency should arise and the Treasurer needs to initiate a manual stop payment, the appropriate Treasurer staff can contact its dedicated Sales Support Associate for immediate assistance.

#### 4.5.6 **Searching for Paid Items**

By entering an account number, check number, and dollar amount, users can access 90 days of account history. If an item is located, clients using Direct Image Access can view the item online. Non-Image Access using clients can request that a photocopy be mailed to the address of record (bank statement address) or to an alternate address.

#### 4.5.7 **Initiating Stop Payments**

With the wide accessibility of an Internet-based service, the Treasurer may authorize users to initiate stop payments in an effort to delegate action at the first available opportunity. Once authorized for initiation, a user can simply access Payments Direct, select Stop Payments, choose the bank account, and enter both the check amount and check number. Optional fields include entering the payee name or reference notes. Stops can be placed for 12, 18, 24, or 36 months. The Treasurer may select any of the following reasons to make a stop payment: destroyed, disputed, error, lost, not received, stolen, unsigned, or other.

4.5.8 If a user is authorized to approve stops, the transaction moves to a "pending release" status. If an independent approval is required by the Treasurer, a second user accesses the transactions pending approval screen and approves or deletes one or more stops from the list. Once approved, the stop(s) can be released if the user is so authorized, or by having another authorized user access the release pending stop payment transaction screen. A stop payment can be deleted up until it is released. After that, a cancellation is required. Transactions received from 5:00 a.m. to 6:00 p.m. MT are processed in a real-time environment.

#### 4.5.9 **Tracking Stop Payments**

The Treasurer can move from any Payments Direct screen to the Notifications screen. A summary screen appears listing confirmations of stop payments, stop payment cancellations, transactions pending approval, and transactions pending release. Each notification will be a hyperlink that when selected will bring the Treasurer to the associated activity. If after seven calendar days a transaction has not been approved or released, it will automatically be deleted from the system.

#### 4.5.10 **Renewing Stop Payments**

With Payments Direct, the Treasurer can choose the duration for a stop payment. If no action is taken at the end of that duration, the stop payment will expire. The Treasurer may choose to track expiration dates and renew a stop payment at expiration to avoid payment of an unauthorized check.

#### 4.6 **Bank Balance Information**

Bank of America will provide the Treasurer the ability to access its account information with a PC through a properly encrypted, secure Internet-based application.

4.6.1 Bank of America Direct offers inquiry capabilities and transaction-based services such as Positive Pay, Stop Pay, ACH, and Wire Transfer payments. Expanded transaction search capabilities are available for inquiry against Previous and Current Day information reporting. Wide ranges of **standard** pre-formatted reports are available to assist the Treasurer with its daily cash position needs. Reports can include balance and/or just summaries, transactions only, or a combination of balance, summary, and detail transaction information.

4.6.2 Because Bank of America Direct is accessible via any personal computer with Internet access; the **Treasurer** will not be required to install any special software or programs, other than appropriate software certificates.

4.6.3 By making the information available over the Internet via Bank of America Direct, the Treasurer will have control of user accessibility at the account level and may share information across **departments**. The Treasurer will have the ability to view standard reports, customize by dates and accounts with one time reports, schedule previous day reports that the Treasurer needs every day, and export report data in a comma-delimited format for use in other applications.

#### 4.7 **Bank of America Direct Structure**

Bank of America Direct is comprised of four primary modules:

***Treasury Direct*** – The Treasurer can access financial data, summary and detail, quickly and then share the information with other areas of the organization so that everyone can make the best business decisions possible. Customizable reports are available in a variety of formats to accommodate the Treasurer’s needs and deliverable within seconds. Reports can be viewed on screen, printed, and exported into financial spreadsheets.

***Payments Direct*** – The Treasurer can make payments, monitor the status of checks, handle exceptions, and reconcile payment activity in the simplest and fastest manner possible. Using this module of Bank of America Direct, the Treasurer will be able to initiate wire and ACH payments, view clear images immediately of its paid item and exceptions, make positive pay and stop pay decisions, and reconcile its accounts.

***Receipts Direct*** – Receipts Direct integrates receipts information and images, and, as such, will allow the Treasurer to view images of lockbox checks, remittance documents and correspondence.

***Images Direct*** – Images Direct provides access to images of paper checks, deposits, and deposited items.



#### 4.8 Information Reporting

Through Bank of America Direct, Treasury Direct, the Treasurer will have access to its information reporting in the form of Previous Day and Current Day information reports.

- 4.8.1 Previous Day information is available to the Treasurer as early as 5:00 a.m. MT, Monday through Friday. For Current Day reporting via machine-to-machine data transmission, files will be created Monday through Friday on a predefined schedule with updates occurring every half hour, starting from 6:00 a.m. MT through 1:00 p.m. MT, followed by hourly dates until 7:00 p.m. MT.
- 4.8.2 The Treasurer can customize the information it receives for both Previous and Current Day reports. Authorized users from the Treasurer may specify criteria based upon transaction types, BAI codes, transaction amounts, specific text information or reference numbers. Up to 15 current and 15 previous day reports can be customized per user. All reports may be generated in any of the following formats: PDF, HTML, Excel, comma delimited (CSV), BAI2, BAI2A, or text. All customization selections can be saved as templates, which can then be exported or scheduled on a recurring basis.
- 4.8.3 Reports available to the Treasurer for both Current Day and Previous Day reporting, unless otherwise indicated, are as follows:
- **Balance Report (Previous Day)** – displays previous day ledger balance, opening ledger balance, closing ledger balance, average closing ledger balance M-T-D, opening available balance, collected balance, average collected balance M-T-D, 1-day float, 2+-day float, total credits and total debits
  - **Balance Report (Current Day)** – displays current ledger balance, opening available balance, current available balance, 1 day float, 2+ day float, total credits and total debits
  - **Summary Report** – includes all balances and summaries for the Treasurer's entitled accounts
  - **Detail Report** – displays the break out of the previous day's activity by credit and debit type. For each credit and debit type, information includes the amount, customer reference number, bank reference number, immediate availability, 1 day float, and 2+ day float
  - **Detail with Text Report** – contains the same information as the Detail Report, plus additional text regarding transactions such as wire transfers
  - **Summary and Detail Report** – combines the Summary and Detail Reports for each of the Treasurer's entitled accounts
  - **Summary and Detail with Text Report** – combines the Summary and Detail with Text Reports for each of the Treasurer's entitled accounts
  - **ACH Report** – same as the Detail with Text Report but contains only Automated Clearing House transactions
  - **Deposit Report** – same as the Detail with Text Report but contains only commercial deposits and lockbox transactions
  - **Non-Post Report** – same as the Detail with Text Report but contains only non-posted transactions

- **Item Report** – same as the Detail with Text Report but contains only returned items
- **Wire Report** – same as the Detail with Text Report but contains only wire transfer transactions

In summation, the following reports are available for Current Day and Previous Day reports.

Reports	Current Day	Previous Day
ACH Report	X	X
Balance Report	X	X
Controlled Disbursement Detail Report	X	X
Deposit Report	X	X
Detail Report	X	X
Detail with Text Report	X	X
Electronic Return Item Report	X	
Loan Transaction Report	X	X
Lockbox Deposit Report	X	X
Non-Post Report	X	X
Returned Items Report	X	X
Summary and Detail Report	X	X
Summary and Detail Report with Text	X	X
Summary Report	X	X
Sweep Detail Report	X	X
Sweep Summary and Detail Report	X	X
Wire Report	X	X

4.8.4 The Treasurer will have the ability to transfer funds between all of its accounts through Bank of America Direct.

4.8.5 With Bank of America Direct Online Statements and Reports, the Treasurer can access account balance reports with debit and credit totals, in addition to account statements with descriptions of the items on these statements.

#### 4.9 Online Statements and Reports

Bank of America Treasury Direct Online Bank Statements include:

- Timely access to a range of reports accessed through Bank of America Direct or automatically sent via email to the Treasurer. Most reports will be available the following business day after the Treasurer's cutoff date.
- Improved information sharing among associates. The Treasurer can schedule these reports to be delivered to a single or multiple associates as soon as they

become available, rather than logging on through Bank of America Direct to view, download, and send the reports.

- Ability to search across multiple accounts using flexible search options and customize reports

4.9.1 Treasury Direct Online Statements and Reports provide many standard options to give the Treasurer a complete picture of its accounts. Depending upon the Treasurer's account setup, the following statements are available:

- DDA statements
- ACH reports
- Sweep statements
- Account Reconciliation reports
- Account Analysis statements
- Autoborrow statements
- Non-customer check cashing reports

4.9.2 Additionally, DDA and Account Analysis statements, and non-customer check cashing reports will be available for up to six cycles of information to the Treasurer. If the Treasurer elects to use this service, it can access its reports online the next business day via Bank of America Direct, once the reconciliation of the Treasurer's accounts is complete. Reports viewed online will contain the same information available in the paper reports.

4.9.3 With the online search tool, the Treasurer can search across multiple accounts and reports for a specific transaction, by keying in specific criteria. Additionally, the Treasurer can create customized reports to fit its unique business needs. This customized information can be viewed online or downloaded for further analysis.

4.9.4 Using the Online Statements and Reports feature, the Treasurer can reconcile accounts without having to wait for the printed statements to arrive in the mail. Statements can be viewed, printed, or exported in Adobe Acrobat® PDF, HTML, or TXT formats. Bank statements are available the next calendar day after the generated cutoff date. Statements for partial account reconciliation are available the fifth business day and full account reconciliation are available the seventh business day, provided that Bank of America has received a correct issue file for full account reconciliation (full reconciliation account statements are not released until the account(s) have been balanced). Analysis statements are available the fifth business day of the billing month. At this time, entities on account analysis will still receive paper statements mailed to them. Once historical information is available, the Treasurer can access six cycles for bank and account analysis statements. The Treasurer can elect to store six or 24 statement cycles for account reconciliation.

4.9.5 A monthly statement shall be prepared by calendar month and will be required to be submitted to the Treasurer by the 10th of the following month for all Treasurer accounts other than the daily statement of the bank's account. The Treasurer shall inform Bank of America of the accounts for which the Treasurer desires a monthly statement.

- 4.9.6 The Treasurer shall also identify the data to be included on the electronic monthly statement.

#### **4.10 Account Analysis Statements**

- 4.10.1 Monthly account analysis statements are available through Bank of America Direct and paper-based via mail. With Bank of America Direct the Treasurer can access its analysis statements six days after the statement cutoff date. Paper based statements are mailed between the 10th and 15th calendar day of the following month. Once historical information is available, the Treasurer will be able to access the last six statement cycles.
- 4.10.2 The Treasurer will be provided a monthly recap of balances maintained with Bank of America and the services used for the month, including volumes and fees; FDIC assessment, Federal Reserve requirements; and any overdraft charges associated with negative collected balance positions that may have occurred during the month. Each account is calculated individually. The value assigned to positive collected balances and whether or not that value is sufficient to compensate for service charges is provided. Individual account detail is combined into a summary (parent) statement which allows for individual accounts with an excess earnings allowance and accounts with a deficit position to be netted to determine the total amount due the bank for the service period.

#### **4.11 Monthly Bank (DDA) Statements**

- 4.11.1 Bank statements include all debit and credit transactions, which can be reported by posting date or by transaction type. Bank of America has the capability to provide a digitalized image of a deposit as well as deposited items via Bank of America Direct. Statement cut-offs can be specified as daily, weekly, monthly, or customized to your unique accounting cycle. All paper-based statements, including canceled checks, are mailed within three to five business days of the period end. However, deposit slips, debit, and credit memos will not be returned with the statements. Additional statement options such as a check paid listing in check number (sequential) order, or a daily balance and activity summary are available at an additional fee.
- 4.11.2 Electronic DDA bank statements are available via Bank of America Direct the day following the statement cutoff date. Statements can be viewed with the browser, or in a PDF (Adobe Acrobat) format. They can also be exported in a PDF or TXT (text) format. This service is available to clients using a daily, weekly, monthly, or variable statement cutoff and it eliminates possible mail delays associated with paper statements. The Treasurer, if utilizing this service, will still have paper statements mailed to them, unless otherwise requested. Once historical information is available, the Treasurer will be able to access the last six statement cycles.

### **5.0 AUTOMATED CLEARING HOUSE (“ACH”)**

- 5.1 Bank of America shall provide the Treasurer with an assigned, responsible team of officers that will handle the Treasurer’s ACH transactions and will act as liaisons to the various Treasurer agencies utilizing the services of the bank. An assigned Client Services Representative (CSR) will work with the Treasurer on all transactions and specifically has the knowledge and resources available to provide the Treasurer with the ACH services listed below:
- ACH ABA inquiries
  - ACH Transaction inquiries
  - ACH General inquiries

- 5.2 Bank of America has also just installed a state-of-art processing platform for ACH service. This platform enables ACH customer service representatives to provide the fastest response possible to the Treasurer's inquiries. In addition, this platform begins processing the Treasurer's work as soon as it is delivered to the bank, allowing the bank to give immediate feedback on the status and outcome of the bank's ACH processing.

Service	Customer Support Hours	Functional Area/Group	Telephone Number
ACH	6:00 a.m. – 6 p.m. PT	ACH Client Service NACHA	800-285-2632 800.487.9180

## 6.0 **OTHER SERVICES**

- 6.1 Bank of America will provide a daily messenger service, as needed, but not to exceed three (3) times per day. The messenger service will pick up and deliver special deposits, warrants, securities, documents, daily statements, or other designated items at the Treasurer's Office.
- 6.2 Bank of America shall provide the Treasurer with cashier's checks and drafts from one of the many banking centers closest to the Treasurer's offices. Domestic and foreign payment orders are provided to the Treasurer through the bank's online service, Bank of America Direct module, FX Wires and Drafts.
- 6.3 Bank of America will provide responsive and accurate customer service and assistance to the Treasurer through a dedicated staff and toll-free telephone support lines and help desk.
- 6.4 The Treasurer will also have a dedicated Senior Sales Support Associate, to assist the Treasurer with all of its day-to-day operating cash management needs.
- 6.5 A dedicated Senior Client Services Advisor (CSA) will be assigned to the Treasurer upon award of the contract. The Client Services Advisor will provide responsive and accurate customer service to the Treasurer. The Client Services Advisor is located in the Government Service Center and a toll-free telephone number will be available to the Treasurer upon the award. The Client Service Center tracks all service requests reported to the bank via a state of the art tracking system, Basix. **Basix** allows the bank to proactively trend and resolve problems, in most cases, before the Treasurer is aware of them.
- 6.6 Bank of America can coordinate the ordering and printing of supplies such as encoded warrants and any non-encoded warrants as is determined by the Treasurer. Bank of America can also provide the Treasurer with pre-encoded deposit slips, self-inking stamps, and deposit bags.
- 6.7 As these services are provided at cost, supplies may be ordered directly from the Treasurer's designated SSA to obtain the supplies. Charges arising from procurement of these supplies can be applied to the Treasurer's monthly account analysis statement.
- 6.8 If warrants are purchased from the bank's vendor, testing will not be required. If an outside vendor is used, testing will be required in advance to the first printing run. This ensures the Treasurer's warrants are printed with the MICR line appropriate ink, codes, and alignment. This testing is provided at no charge to the Treasurer.

- 6.9 Bank of America will make its best efforts to replace damaged, lost, or temporarily misplaced items such as documents, cash items and/or data processing magnetic tapes. Bank of America will make its best efforts to assist the Treasurer in duplicating the information and documentation that may be lost in transit.
- 6.10 To ensure the security and to mitigate the risk of loss, Bank of America suggests that the Treasurer make copies of important documentation that will be sent to the bank via messenger or armored courier service.
- 6.11 In this regard, any documents transported via messenger or armored courier will be under specific agreements between the Treasurer and the armored courier and/or messenger service provider. Bank of America will be liable for all items once the items are received at a Bank of America facility.
- 6.12 The bank will provide its Internet-based service, Bank of America Direct, for transmission of ACHs, Wires, Stop Payments, Account Reconciliation issue files, Positive Pay exceptions, and returned items, which can be initiated and released via the Internet.
- 6.13 Upon request of the Treasurer, Bank of America will MICR encode deposit slips with numerically sequenced numbers. The bank will electronically transmit the account number, deposit number, and amount to the Treasurer.
- 6.14 Bank of America will provide the Treasurer with deposit slips with a unique numerically sequenced number that can be identified and reported electronically.

## 7.0 **DEPOSITORY+**

- 7.1 Depository+ offers the Treasurer guaranteed reporting of location numbers (department ID) and descriptive text, thereby replacing the traditional deposit reconciliation service. With Depository+, every credit and debit transaction, including deposit corrections, change orders, and returned items, displays on both the master and sub-account statements. Each transaction displays up to five lines of descriptive text. Transactions may be sorted by date, reference number (e.g., location), BAI code, or amount. The Treasurer may choose to subtotal the transaction amount and item count by reference number. Reports may be provided in paper or electronic form, such as a BAI or transmission, or a standard bank-formatted report. Additionally, transactions may be summarized and reported as a total debit and a total credit per location or as a single net debit or credit per location.
- 7.2 With Depository+, no unidentified transactions are reported since a unique sub-account number is assigned to each location. During the implementation process, the sub-account number is assigned to a reference number, i.e., each location would have a unique number attached to it. As credit and debit transactions are processed, the system automatically captures the transaction by sub-account and assigns the location number. Reports display the location number for every transaction, including deposit corrections, change orders, and returned items.
- 7.3 Bank statements are sent out within four business days after statement cycle close.
- 7.4 Through Bank of America Direct, the availability of reconciliation information can vary depending upon the services selected. Cycle-end statements will be available online by the next business day after the end of the cycle. However, transmissions or downloads of reconciliation data may occur more frequently if desired.

## 8.0 **MINIMIZING FLOAT**

- 8.1 Bank of America will provide to the Treasurer the fastest check availability schedule available.

- 8.2 Bank of America shall provide the Treasurer with same day availability for deposited items drawn on Bank of America, wire transfers, ACH deposits and cash and coin deposits.
- 8.3 For checks drawn on other financial institutions, Bank of America will give provisional credit immediately and hard post such credits upon confirmation of available funds.

9.0 **ACCEPTANCE OF PROPERTY TAX PAYMENTS AT BRANCH OFFICES**

- 9.1 Bank of America will accept property tax payments at each of its branch offices located in Maricopa County and issue receipts for such payments to the taxpayers. The bank shall credit these payments on a daily basis and transmit a record of such payments, electronically, in a format to be approved by the Treasurer. There will be no additional charge or fee to the Treasurer for this service, subject to any additional reporting requirements of the Treasurer.

10.0 **ELECTRONIC PAYMENT VIA INTERNET (ACH/DEBIT CARDS/CREDIT CARDS)**

- 10.1 Bank of America will provide the Treasurer's taxpayers the ability to pay their property tax through the Internet With Remote Payments Online

**Remote Payments Online (RPO)**

Remote Payments Online links to the Treasurer's Internet site and provides an Internet-based payment solution, ACH Debit and Credit Card, as well as a telephone (IVR) option to the Treasurer. RPO is a flexible service that offers a variety of options to suit the needs and interests of the Treasurer. Transactions can be presented in a variety of methods including:

- Present billing information on the Treasurer's government Website that would offer a payment option for taxpayers and vendors to make payments directly to the Treasurer.
  - Another option would entail having the end user initiate a payment by entering the dollar amount and the applicable remittance information.
  - A third option would incorporate the RPO application program interface, or API, feature to present the billing information and allow the end user to initiate a payment.
- 10.2 The Treasurer would design a hyperlink off of its Internet site that allows the end user to log into RPO to initiate payments. The Treasurer would send a data transmission containing billing information (maximum of 40 data elements) that is presented via RPO. Once the information is presented, the end user could initiate payments.
- 10.3 For convenience, many taxpayers desire to pay their property tax by credit card. The Treasurer is prohibited by statute from absorbing, or reducing, the amount of the property tax by the discount fee, or similar fee, charged by the credit card companies as consideration for the use of the credit card. As such, Bank of America must be able to separately charge any requisite convenience fee imposed by a credit card company. Bank of America agrees that neither the Treasurer nor the Treasurer will be required to impose, charge or collect any form of "convenience" fee. The Bank may make whatever arrangement it deems

appropriate with a third party credit card processor to charge taxpayers the appropriate fee for the use of such service.

- 10.4 Bank of America will provide credit card and /or debit card processing to the County entities other than the Treasurer. Transactions will include but not be limited to, Visa, MasterCard, AMX, and Discover.
- 10.5 Bank of America is prepared to provide the Treasurer with the Customer Service Representative (CSR) module of Remote Payment Online (RPO) in order to accept ACH payments as well as credit and/or debit cards.

## **11.0 CURRENCY REQUIREMENTS**

- 11.1 Bank of America will be required to provide currency in amounts ranging from \$100,000 to \$500,000 between approximately six (6) to ten (10) times monthly. The denominations will be specified at the time of the request. Bank of America will be given twenty-four (24) hours notice whenever possible.
- 11.2 Bank of America will provide an automated telephone-entry access to place change orders for currency and coin 24 hours a day. Using access codes and PIN numbers provided by the bank, the Treasurer can place change orders via a touch-tone phone in a secure environment. Orders placed by the designated change order deadline of 12:00 noon are available for armored courier pick-up for next day delivery. Orders placed with 24 hour notice will be delivered next day. In the event a deadline is missed or in an emergency the Treasurer can place an order r
- 11.3 Another option is the bank's standing order process. This process is designed to send out change orders on specific dates, with a standing order the day, date and amounts do not change. When either type of order leaves our cash vault a debit is processed to your account.

## **12.0 INVESTMENT TRANSACTIONS**

- 12.1 Bank of America agrees to provide facilities for settlement of securities transactions through the Federal Reserve Bank. In the case of physical securities, Bank of America shall make arrangements with a New York City bank for the acceptance of such documents. Bank of America is required to receive and deliver securities for the Treasurer as well as accept and make payments to designated parties in good funds.
- 12.2 In the case of physical securities, Bank of America shall make arrangements with The Bank of New York.
- 12.3 All transactions will be settled Payment vs. Delivery.
- 12.4 Bank of America will accept and pay for all securities presented to the bank, which have been purchased by the Treasurer.
- 12.5 Bank of America will verify with the Treasurer all transactions presented to the bank by brokers.
- 12.6 The bank will not pay, nor debit any of the Treasurer's accounts, for such transactions until verification by the Treasurer is complete and the security is presented to the bank by the broker.



- 12.7 Bank of America shall provide month-end market pricing of current securities, identified by CUSIP number, in a format which is electronically retrievable by the Treasurer.

**12.8 Bank of America Securities Connection**

Bank of America has created a comprehensive online account management and investing tool that consolidates investment positions into one convenient platform. Connection will enable the Treasurer to access investment account holdings and activity, submit orders for money market funds and Bank of America liability products generate custom reports and download data right to a desktop computer. The Treasurer can expect the following benefits:

- Access projected cash balances, portfolio holdings and transactions in seconds for instant decision making
- Submit orders for money market mutual funds and Bank of America funding products in real time
- Obtain up-to-minute market information with the click of a mouse
- Generate customized account and activity reports plus other useful data
- Broad-based or narrowed content searches can be conducted at any time
- Available at your office, at home or on the road-anywhere with Internet access
- Data can be downloaded to Adobe Acrobat, Excel, Word, or printer-ready formats
- Encryption, authentication and user entitlements ensure privacy

- 12.9 Bank of America shall provide a daily net settlement of all completed purchases, maturities, called or sold securities via wire transfer, direct account debit or otherwise.

- 12.10 Bank of America shall contract with Bloomberg LP to provide “Bloomberg Professional Service” with the terminal to be located in the Treasurer’s Office. Costs for such service shall be charged to “monthly account analysis” as a soft dollar charge.

**13.0 COLLATERAL REQUIREMENTS**

- 13.1 Bank of America shall provide approximately \$65 Million in collateral on a daily basis to cover deposits. Twice per year, for the weeks before and after November 1 and the weeks before and after May 1, the aggregate total of bank collateral required at each date for the Treasurer will be as much as \$300 million.

- 13.2 This collateral may be required with same day notification. (The Treasurer will try to give Bank of America its best estimate the day prior). Collateral must be pledged or confirmed prior to the daily delivery of deposits. Additional securities required to guarantee deposits shall be deposited immediately when the percent of

market to deposits is less than 101%. (Refer to A.R.S. § 35-323). Collateral for deposits must be held by the Federal Reserve Bank in the name of the Treasurer and meet all current FIRREA requirements. This includes a signed authorization from an authorized office of the bank stating the approval and knowledge of collateral requirements, and transmittals for the Treasurer.

13.3 The Treasurer reserves the right to review all pledged collateral, and approve the substitution of any item.

13.4 As the Treasurer requires that the collateral be held by the Federal Reserve Bank, Bank of America will be required to charge an excess collateral fee based on the monthly average excess collateral pledged. The fee for such excess collateral pledged is 25 basis points.

#### 14.0 **WIRE TRANSACTIONS**

14.1 Bank of America shall provide on-line and optional voice (telephone), access for all outgoing wire transfers.

14.2 With Bank of America Direct, Payments Direct, the Treasurer will be able to initiate wire and ACH payments.

14.3 Wire transfers can be initiated through either the Internet or by telephone.

14.4 For Internet transactions, the Treasurer can simply log into Bank of America Direct, select the Payments Direct module from the suite of Web-based treasury management services, and then go to the Payments Initiation option to initiate domestic and international U.S. dollar wire transfers and ACH Initiation. With Bank of America's online wire transfer services, the Treasurer can:

- Initiate same day and future-dated U.S. Dollar domestic and international wire transactions, create repetitive templates, and view confirmations within minutes after payments have been completed. Also payment limits may be set to each template created.  
Set-up and authorization of users to various activities including: approve a transaction, approve a template, create a template with approval required, create a template with no approval required, deactivate a template, initiate a non-repetitive transaction, initiate a repetitive transaction, initiate and release own non-repetitive transaction, initiate and release own repetitive transaction, payment inquiry and release a transaction
- Inquire on payment history up to 35 calendar days
- Elect to require dual administration allowing the Treasurer to require two Payments Initiation Administrators for all administration activities
- Select the option of requiring up to three users (initiator, approver and releaser) in the initiation process of any transaction
- Receive confirmation that payment has been completed, including the Fed Reference Number. Notifications are also provided for transactions rejected, pending approval and pending release.

- Future date a transaction for up to 30 calendar days and, at the same time, reject or cancel a future dated transaction as long as the transaction has not been released to the wire system for processing.
- 14.5 Bank of America Direct facilitates on-line administration of users and their respective access to services. The Treasurer will have the ability to set security controls from its personal computer by designating up to two administrators with the power to add, delete, or change user-level authorizations. Access is granted by account number and application, and can be restricted to users by specific functions and dollar limits. The results are identical to mailing documentation to the Bank, but much faster and entirely within the Treasurer's control.
  - 14.6 Similar to Payments Initiation, Bank of America Payments Direct FX Wires and Drafts is designed for clients to initiate on-line, real-time foreign currency wire and paper draft payments in multiple currencies of up to U.S. dollar equivalent \$5,000,000.00 per foreign currency transaction. FX Wires and Drafts may also be used to initiate low value clearing payments outside of the United States.
  - 14.7 Bank of America can provide the Treasurer with the option of initiating wire transfers via the telephone as a backup to its electronic system. Using the bank's Virtual Response Unit, or VRU, system, the Treasurer will have option of initiating wire transfers using a touch-tone telephone. This service can be configured to meet the Treasurer's specific needs such as designating certain accounts eligible for outgoing wires, authorized representatives, and method of notification or advice. For added security, Bank of America will also provide the Treasurer the option of selecting a variety of account and authorized representative limits.
  - 14.8 To establish the service, the Treasurer will identify specific authorized representatives who will each be assigned a PIN, which must be provided at the time of initiation and confirmation/approval of every wire transfer and the accounts they are authorized to initiate wires for. For each account established, the Treasurer provides a repetitive and non-repetitive callback verification order and threshold. When the amount of a wire exceeds these thresholds, the wire will require verification by an authorized representative prior to release. The Treasurer may also choose to waive callback verification altogether.
  - 14.9 Bank of America shall provide the Treasurer with repetitive wire transfer capability for online and voice transfers. Online wire transfers are initiated via Bank of America Direct Payments Direct module. Voice wire transfers may be initiated via the telephone. Brief descriptions of the processes for each method are provided below:
  - 14.10 Bank of America will offer a variety of PC-based wire transfer initiation products, which include the bank's Internet-based treasury management transaction and reporting service, which offers wire and ACH initiation capabilities.
  - 14.11 Using Payments Direct – Payments Initiation, part of the Bank of America Direct suite of Internet-based treasury management services, the Treasurer will have a tool that allows the Treasurer to use the Internet to quickly and easily initiate domestic and international U.S. dollar wire transfers.
  - 14.12 The telephone wire transfer service can be customized to meet the Treasurer's specific needs. The Treasurer will provide the bank with their wire accounts, authorized representatives, and method of notification or advice. In addition, there are a variety of account and authorized representative limits that are established to customize authorization at those levels.
  - 14.13 Bank of America shall provide detailed on-line reporting of outgoing and incoming wire transfers, including, but not limited to: the originator, the name and ABA number of the sending or receiving bank, the amount, the beneficiary name and account number and any additional instructions.

- 14.14 Bank of America provides real-time current day detailed balance reporting of incoming and outgoing wire transfers online via Bank of America Direct.
- 14.15 On current day reports, information on wires includes the type of wire transfer, the time it was sent or received, the originator or beneficiary name and ID (if provided), the banks' names and IDs (if provided) involved in the routing of the wire, the bank reference number, the fed reference number (if applicable) and the reference information (or details of payment).
- 14.16 Up to five lines of information is reported on previous-day wire activity, including wire type, Fed Reference Number, date, time, beneficiary bank or sending bank, beneficiary or originator, and two lines of details of payment.
- 14.17 The internal reference number is assigned before wire execution. Bank of America designates a reference number as soon as the bank receives the instruction, regardless of whether it is sent by telephone, received via a client access system, or sent by batch file.
- 14.18 The Federal Reference number is assigned immediately upon execution of the wire. If the transaction processes automatically, the Federal Reference number will be available within one to three minutes at which time it would be available to the Treasurer. Generally, the Treasurer would access its Current Day reporting to obtain this information, with the exception of Payments Initiation which provides real-time acknowledgement messages.
- 14.19 Bank of America Direct Payments Initiation will enable the Treasurer to view Federal Reference numbers on the "Notifications" tab.
- 14.20 Incoming wires must be posted and available to view on the wire transfer on-line system immediately upon receipt by the bank.
- 14.21 Bank of America will post and make available incoming wire transfers online via Bank of America Direct upon receipt by the bank.
- 14.22 All transfers received up to the Federal Reserve third-party cut-off of 4:00 p.m. MT will receive same-day credit. Wires received between 4:00 p.m. and 4:30 p.m. MT (settlement period) will be processed on a best-efforts basis.
- 14.23 Controls and dollar limits must be mutually agreed upon between Bank of America and the Treasurer.
- 14.24 The Treasurer will have several options for setting controls and dollar limits. Bank of America will ensure the security of wire transfers that are initiated and processed regardless of the method used.
- 14.25 Initiation of wires by voice requires a PIN (personal identification number) that is assigned to individuals authorized by the Treasurer for initiation and/or approval. The Treasurer also specifies dollar limits for each authorized individual. For each account established for wire services, the Treasurer is required to provide a repetitive and non-repetitive callback verification threshold. When the amount of a wire exceeds these client-defined thresholds, the wire will require verification by an authorized representative prior to release. A PIN is also required for verification.
- 14.26 Initiation of wires by touch-tone requires a PIN (personal identification number) that is assigned to individuals authorized by our client for initiation and/or approval. The Treasurer may also specify dollar limits for each authorized individual. For each account established for wire services, the Treasurer is required to provide a repetitive and non-repetitive call-back verification threshold. When the amount of a wire exceeds these client-defined thresholds, the wire will require

verification by an authorized representative prior to release. A PIN is also required for verification.

- 14.27 In order to protect sensitive information residing at the bank, Bank of America has established multiple firewalls to guard against unauthorized access. Access is only granted to users who successfully complete a host of security tests. For example, a digital certificate establishes the user's identity, and 128-bit encryption verifies the continued security of data being passed. In addition, a user is prompted to enter an organization-level security code, and an operator-level ID and password. All three security codes must be entered correctly to continue a session.
- 14.28 For the secure transfer of information, both communications partners need to verify each other's identity. To establish an independent confirmation of each party's identity, Bank of America has implemented a digital certificate process. Digital certificates are "keys" assigned by a trusted third party, which create electronic signatures that are passed when a connection is made to the Web server. Certificates pass a set of public/private keys, which encrypt and decrypt electronic messages.
- 14.29 Once access is gained, information passed to the user is encrypted. That means that once the message leaves the bank, it is unreadable outside of the Bank of America Direct application.
- 14.30 When using Bank of America Direct, the Treasurer must assign Primary Administrators (dual administration is available). A primary administrator can create users, change passwords, and entitle users to application-specific administration for any application to which the Treasurer will subscribe. The Primary Administrator entitlement is only required for those administrators who would be responsible for setting up administrators of new Bank of America Direct services.
- 14.31 In addition to Bank of America Direct level administration, the Treasurer may assign dual application specific administrators for each payments module.
- 14.32 While Single Administration is available on Payments Initiation, which allows a single Payments Initiation Administrator to complete all administration activities, Bank of America recommends dual administration to ensure the highest level of security.
- 14.33 Dual administration requires that a second Payments Initiation Administrator be involved with all administration activities. For example: If one Payments Initiation Administrator entitles a user to initiate a non-repetitive transaction, it would require another Payments Initiation Administrator to approve this entitlement. The Payments Initiations Administrator will have access to entitle users to approve and release transactions, approve and create templates, initiate repetitive and non-repetitive transactions, and perform payments inquiry.
- 14.34 Depending on the Treasurer's specific needs, the Treasurer will have the ability to require up to three users involved in the initiation of any payment transaction. Repetitive and non-repetitive wire transactions can be initiated by accessing easy-to-use input and template screens. When the same wire transfer is initiated on a frequent basis, a repetitive template can be created to assist in streamlining the initiation process.
- 14.35 The SSA will research wire transfers for the Treasurer. Also, a dedicated Senior Client Services Advisor (CSA) will be assigned to the Treasurer upon award of the contract.

## **15.0 SHORT TERM FINANCING REQUIREMENTS**

- 15.1 Bank of America will provide a \$35 million municipal line of credit to Maricopa Treasurer.
- 15.2 Currently, the municipal line of credit is used as collateral for an \$8 million letter of credit with the Industrial Commission of Arizona. To date, no claims or other borrowing have occurred on the letter or line of credit. It is not anticipated that

Maricopa Treasurer will utilize any of the line of credit during the period of the contract. There is no commitment fee for this line of credit.

## 16.0 **DIRECT DEPOSIT PAYROLL PROGRAM**

- 16.1 Bank of America shall accept direct deposit for the County's payroll system.
- 16.2 Bank of America is a full member of the National Automated Clearing House Association (NACHA) and can act as the originating depository financial institution for the County. Bank of America offers full direct deposit services.
- 16.3 Direct deposit consists of a network that enables the County to automatically deposit checks directly into the payee's personal checking or savings account at almost any financial institution
- 16.4 Direct deposit is the electronic movement of funds through the ACH network. Two days prior to payday, the County may send Bank of America a payment file in a standard ACH file format created by the County with ACH formatting software.
- 16.5 All deposits payable to accounts at financial institutions other than Bank of America are sent through the ACH network for posting to the County's payees' accounts on settlement date. The County provides its payees with a deposit notification; their banks provide a bank statement that shows the deposit.
- 16.6 Bank of America will process the County's work as soon as it is received. Because the bank's ACH Operations Center is staffed 24 hours a day, Bank of America can accept data transmissions 24 hours a day, six days a week. Subsequently, Bank of America does not have specific day or night cycle cutoff times; although it is recommended the County observe the following guidelines, particularly for payroll purposes.
- 16.7 For corporate payments, Bank of America's delivery deadline is 9:30 p.m. MT the day prior to settlement, or 7:00 p.m. MT for same-day settlement for any Bank of America domestic account. For direct deposit of payroll or similar consumer payments, Bank of America recommends that the County allow sufficient lead-time for the receiving financial institutions to make funds available at the opening of business on the settlement day. As such, Bank of America recommends that the County send its file two days prior to settlement.
- 16.8 Files are not considered delivered until the complete file has been received successfully by the bank's ACH site.
- 16.9 Direct Deposit Deadlines with Memo-post meet NACHA deadlines that require the beneficiary's financial institution have the funds available at the opening of business on settlement day. However, compliance with Bank of America deadlines does not guarantee that the receiver's financial institution has the mechanisms in place to collect ACH files in compliance with the NACHA rules, or memo post ACH entries for teller or ATM access. As such, Bank of America highly recommends that consumer-based payment files be transmitted to Bank of America two days prior to the effective date. For three-day weekends, Sunday-for-Monday settlement processing is done instead on a Monday-for-Tuesday settlement.
- 16.10 Should the County ever need assistance, Bank of America has offices nationwide to provide client coverage between 5:30 a.m. and 7:00 p.m. MT. Additionally, the County can reach the bank's ACH support and client service staff between the hours of 7:00 a.m. and 7:00 p.m. MT. Our ACH Operations Center accepts data transmissions 24 hours a day, seven days a week. Key personnel and management carry pagers on a rotating basis to address urgent needs outside of normal business hours.

- 16.11 Returned items are entries that failed to post to the beneficiary account. Upon receipt, the bank will verify the item against various edits, including timeliness of return. The system rejects late returns or items that do not otherwise comply with NACHA rules. If an item passes through the edits, Bank of America matches it against the bank's database to supply the County with information regarding its original presentation (e.g., origination date, file total, etc.). This eliminates any manual research on the County's end to determine its source.
- 16.12 Bank of America credits returned items back to the County's settlement account or another designated account on the day the bank receives them from the ACH. Items post individually or are combined into one total credit for a processing day.
- 16.13 The bank's ACH system generates a Notification of Change (NOC) when the receiving bank requests that a correction be made to the information on an item (e.g., account number, routing transit number, or transaction code). In most cases, the receiving bank will post the item manually. They will subsequently request that we notify the County to make a specific correction before another item is originated.
- 16.14 Detailed information on returned items, rejects, and NOCs can be sent to the County via Bank of America Direct Treasury Direct module, an electronic mailbox, transmission (NACHA or EDI-formatted files), paper reports, or fax.
- 16.15 The County may request a reversal or deletion of whole batches or single items by faxing a Reversal/Deletion Request Form to Electronic Payment Services customer service by 5:00 p.m. MT.
- 16.16 Bank of America can delete a single item or an entire batch if the erroneous entry has not been distributed to the ACH processor or Bank of America's posting system. If the erroneous entry has not been distributed as mentioned above, ACH customer service may be able to "delete" the item. Actually, to maintain a proper accounting trail, the item is not physically deleted or erased. It will be returned to the County instead of being sent to the receiver. On settlement day, the County's settlement account will be posted with a settlement entry for the full amount of the file, less the amount of the erroneous entry submitted.
- 16.17 If the County's erroneous entry has already been distributed to the ACH or the Bank of America posting system, the County still may be able to correct the mistake by reversing the item (a debit to correct the previous erroneous credit). Under NACHA rules, the County must notify the receiver of the reversal and the reason for the reversal no later than the settlement date of the reversal. NACHA rules also limit the timeframe for a reversal to five business days after the entry settled. If Bank of America has distributed the transactions to the ACH, the bank will initiate a reversal, not a deletion.
- 16.18 Notification of reversals and deletions are available via Bank of America Direct, transmission, fax, or mail. The County's Bank of America account statement also reports these entries.

## **17.0 PAYROLL DEBIT CARD**

- 17.1 For those County employees who do not maintain a direct deposit account, Bank of America shall issue and accept a payroll debit card. Bank of America offers a card-based payment solution in the form of CashPay, a Visa-branded card that is designed for the disbursement of payroll for clients who wish for a paperless option to pay employees who are not on direct deposit, who are unable to open bank accounts, or who choose not to have an account.
- 17.2 Changes to a file are covered by our standard ACH operating procedures. The County can delete items, batches, or files. A deletion/reversal request form must be faxed and confirmed with ACH Customer Service. After faxing the request to perform a deletion or reversal, the County is required to contact ACH Customer Service to confirm receipt of the request and to verify the information.

- 17.3 Bank statements are mailed monthly to an account holder's address as listed on the enrollment form. Statements are available in Braille or in large print at the account holder's request.

## 18.0 **ARMORED CAR SERVICE**

- 18.1 The Treasurer requires armored car service to departments within the County Administration Building and other designated locations during the contract period. All fees for such service shall be approved and agreed to by the Treasurer prior to being implemented. Bank of America will contract for the armored car services and pass the charge to the Treasurer as a soft dollar charge; however, in no event shall a separate charge be billed to the Treasurer, directly or indirectly, for multiple "pickups" or stops in the same building or at the same physical address.

## 19.0 **TECHNOLOGICAL REQUIREMENTS**

- 19.1 Bank of America's technology must be compatible with the Treasurer's electronic data processing equipment and software. Bank of America must have the ability to exchange information directly with the Treasurer's information technology systems. Information to be exchanged includes, but is not limited to, warrants, deposits, account balances and other detailed information for investments and recordkeeping.
- 19.2 Due to the variety of platforms in use, the primary interface for file transfers is a platform that supports multiple industry standard transmission methods. Bank of America's Connect Mailbox supports asynchronous, bisynchronous, HTTPS, FTP with PGP encryption, and VPN connections. Other client access platforms, such as Bank of America Direct, where file transfers are available as well, take advantage of the ease of use of the Internet, while employing multiple layers of security to maintain safety. The actual format of the data that is exchanged ranges from industry standards such as NACHA format for ACH, BAI for information reporting and lockbox, as well as text files in a comma delimited format. In some cases, Bank of America is able to support clients' proprietary formats.
- 19.3 A technical assessment between Bank of America and the Treasurer's respective staffs will occur and will include discussions on platforms and their supported methods. In some cases, other transmission methods other than those described above may be employed if necessary. The Treasurer's assigned Technical Sales Consultant will work directly with Treasurer staff to ensure the integration of Treasurer's systems with Bank of America's systems is successful.
- 19.4 If at any time during the course of the contract, the Bank incorporates new technology that will enhance the capability of the Treasurer to serve the taxpayer; the Treasurer reserves the right to negotiate pricing of the service for the remainder of the contract period. If at anytime during the life of the contract, Bank of America is unable to provide the Treasurer with advancements in technology that are available, the Treasurer reserves the right to obtain this technology elsewhere.
- 19.5 In no event shall Bank of America diminish or unilaterally discontinue technological services it undertakes to provide, either at the inception of the contract for banking services, or at any time throughout the contract, without providing for replacement services that are equal to, or greater than, in the sole opinion of the Treasurer, those being provided prior to such change.



## 20.0 **IMAGING AT THE TREASURER'S OFFICE**

- 20.1 The Treasurer desires to capture images of payment items as they are received at the Treasurer, as opposed to those received at the "lockbox." As such documents are physically received by Treasurer's staff; an image of each document should be electronically captured. As part of this image capture process, the Treasurer would like to obtain other data in order to produce a point of purchase entry (POP).
- 20.2 Bank of America provides two options to capture images of payment items received at the Treasurer's offices.
- ECS for credit card payments
  - Remote Deposit Services for payments made with a check
- 20.3 Electronic Check enables the Treasurer to convert paper checks to electronic items. With ECS – Electronic Check Conversion, checks are immediately returned to your customers at the point of sale, and the Treasurer will no longer have to process and forward the checks to the bank or ATM.

Benefits of ECS – Electronic Check Conversion include:

- Check authorization in real time.
  - Faster end-of-day closeout tasks.
  - Lower check fraud loss.
  - More efficient clearing and settlement with faster availability of funds.
  - An integrated Merchant Statement for multiple payment types.
  - 24x7x365 Customer Support.
- 20.4 Procedures for using Electronic Check are much like processing a credit card transaction:
- The taxpayer provides a check for their payment at your location.
  - The teller scans the check through a reader, capturing data from the check's MICR (Magnetic Ink Character Read) encoding and shooting an actual image of the check that is kept available for the Treasurer on Bank of America servers.
  - The terminal converts the MICR data to an electronic transaction and sends it to the Treasurer's processor. The transaction is then routed to the taxpayer's bank or to a third party check-authorizer for verification. A response is sent to the Treasurer's terminal.
  - If approved, the terminal prints a sales receipt for the taxpayer's signature. The teller then returns the voided paper check to the customer.
- 20.5 Funds for these transactions are ACH to the Treasurer's designated account within 24/48 hours. Check transactions will be listed with other electronic transactions, such as direct deposits.

20.6 Two programs are available for processing checks under the Electronic Check Conversion program. Each program is outlined below:

20.7 Threshold Model

- The check is converted at the point of sale
- \$0- \$39.99 ticket is verified
- \$40 ticket and over guaranteed
- Provide access to DDA accounts and/or third party risk management databases to determine probability that check will be paid
- Merchant retains risk of loss for verified transactions
- Guarantor bears risk of loss for guaranteed transactions
- Ideal for small ticket/loss risk merchants

20.8 All Guarantee Model

- The check is converted at the point of sale
- All ticket sizes are guaranteed
- Guarantor effectively buys check from merchant
- Guarantor makes on-line accept/decline decision based on access to DDA account and/or third party risk management negative database
- Guarantor bears risk of loss
- Ideal for large ticket, high risk transactions

20.9 **Pricing- Fee Types**

Program: Check Conversion Fee- \$10/Month

Equipment:

Hypercom T7Plus

- Purchase- \$305
- Rental- \$ 26.95/month

Merchant will require either an Ingenico 2500 Check Reader if not imaging checks OR Ingenico 2600 Check Imager.

Ingenico 2500 Check Reader

- Purchase- \$205
- Rental- \$15.95/month

#### Ingenico 2600 Imager

- Purchase- \$399
- Rental- \$23.95/month

#### Transaction Costs:

##### Non-Imaging

- .35 per transaction.
- Check Limit: Upper dollar limit for each guaranteed transaction. Lower limit for non-imaging
- Return Items: \$ .50
- Guaranteed transactions- percentage based on average ticket/annual volume/merchant category code

##### Imaging

- \$ .40 per transaction
- Check Limit: Upper dollar limit for each guaranteed transaction. Higher limit for Imaging
- Return Items: \$ .50 per transaction
- Guaranteed transactions- percentage based on average ticket/annual volume/merchant category code

## 21.0 **REMOTE DEPOSIT SERVICES**

- 21.1 Remote Deposit Services is a deposit solution that is designed to accommodate the bank's clients, such as the Treasurer, where there is no branch conveniently located for a department or district that would help in accommodating electronic payments from students, vendors, etc.
- 21.2 Bank of America provides a service to help the Treasurer electronically clear its checks by converting them to ACH payments or using image-based technology to truncate them at the point of capture
- 21.3 Using the Treasurer's computer desktop, checks are imaged through a desktop scanner and deposited electronically. The Treasurer can then key the dollar **amount** of the scanned check, along with additional information required for its receivables process, and submit the items for deposit. The MICR line data and check images are transmitted for processing, reviewed based on bank and client defined rules, batched and converted to ACH for settlement to the Treasurer's account.
- 21.4 With the Bank of America Remote Deposit Service, the Treasurer can expect:

- **Increased employee productivity** – By eliminating the time spent preparing deposits and making daily bank runs during business hours, the Treasurer’s employees are able to focus on core business activities
  - **Faster access to funds** – Bank of America receives the Treasurer’s deposits faster, in turn giving the Treasurer faster notification of returned checks and funds availability.
- 21.5 The primary feature of Remote Deposit is that deposits can be made to Bank of America electronically, with image transmission in U.S. locations where our bank may not have a physical presence. Additionally, Remote Deposit includes:
- **NetDeposit™ Decision Gateway** – The only technology that is designed with built-in intelligence to determine the optimal check clearing path—conversion to ACH based on Accounts Receivable Check Conversion (ARC) rules or substitute check/Image Replacement Document (IRD)
  - **Imaging capabilities** – Checks are scanned at the earliest point in the payments process, at the desktop, eliminating the transportation and processing of paper payments
  - **Low-cost entry to electronic process** – For a minimal cost, the Treasurer can begin moving from paper deposit processes and experience the electronic way of handling receipts

## 22.0 **LOCKBOX SERVICES**

- 22.1 Bank of America has chosen to contract with Arizona Lockbox & Fulfillment, Inc. (ALF), a full service direct mail fulfillment company founded in 2004. ALF is committed to provide lockbox services for the Treasurer’s property tax collections as required by the Treasurer. Bank of America understands and agrees that it is solely responsible for lockbox services, regardless whether it operates its own lockbox or contracts with a third party vendor. The Treasurer will not be required to independently contract with ALF or any other vendor of Bank of America for lockbox services.
- 22.2 The lockbox will have full scan and image capabilities including the ability to read OCR, MICR, machine print, and hand print. All output formats will be specifically customized to the Treasurer’s requirements, including the transmission methodology
- 22.3 Bank of America agrees that, during the term of this contract, its lockbox will be physically located in Maricopa County.
- 22.4 The Treasurer currently receives images of all items processed through the existing lock box account. These images are provided in a format that allows the Treasurer to relate each payment transaction with the appropriate image of the check and supporting documents. These images are black/white in TIFF format with Group IV Fax Compression. The images must be provided to the Treasurer in a format readable by the Treasurer, allowing the images to be read and stored in the Treasurer’s own imaging system
- 22.5 Bank of America will provide imaging services and transmits those images in a TIFF format with Group IV Fax Compression. All images can be sent either electronically or on a CD-ROM.

- 22.6 The Treasurer also intercepts customer tax payments that originate through bill payment on-line providers. The Treasurer would incorporate this service with the lockbox application. At the present time, the Treasurer only accepts payments that originate as an ACH transaction. The Treasurer requires a record of the name and address of the taxpayer, along with the associated tax parcel number. This information may be transmitted in a lockbox batch or other form of electronic upload, subject to approval by the Treasurer.
- 22.7 Bank of America will customize the software application and install edits and tables that will ensure the highest level of data integrity. The use of check digits and field edits prove to be invaluable in this type of an application. The current error rate for scan and image processing is less than 1/10th of 1% provided check digits and table edits are in place. The error rate for manually keyed data is less than 1.5%. Both tolerances are well within industry standards.
- 22.8 All deposit transactions are batch balanced before the data is transmitted to the customer ensuring that deposit amounts are correct.

## 23.0 **TRANSITION COSTS**

- 23.1 Bank of America acknowledges that the transition to another bank by the Treasurer will create a degree of transition issues and affiliated costs. Accordingly, Bank of America agrees to provide a credit to the Treasurer of \$1 million which may be used to mitigate the costs of transition. This may include, but is not limited to, check stock printing, warrant printing, deposit slip printing, equipment, contract labor or any other service or equipment that the Treasurer deems appropriate. Any costs for such transition shall be submitted to Bank of America for payment, not to exceed \$1 million.

## 24.0 **ATM MACHINES**

- 24.1 Bank of America will place one ATM machine the Maricopa County Administration building, 301 West Jefferson Street, Phoenix Arizona 85003, 2<sup>nd</sup> Floor Lobby at no charge.
- 24.2 Bank of America will pay Maricopa County, Materials management the following rent:
- |        |                               |                         |
|--------|-------------------------------|-------------------------|
| 24.2.1 | 0 to 600 Foreign Transactions | \$0                     |
| 24.2.2 | 601 plus Foreign Transactions | 50% of transaction fee. |

## 25.0 **EMPLOYEE SERVICES**

### 25.1 **Bank of America at Work Program: Group Banking**

**Bank of America is pleased to provide our Bank of America at Work Group Banking benefits to the County. With this service, the County can offer direct deposit of payroll to its employees while also providing additional employee benefits at no cost to the County.**

**Bank of America at Work employee benefits package includes a comprehensive package of financial services designed with the County's employee needs in mind. The discounted services provided by the Bank of America at Work program provide an added incentive for the County's employees to participate in direct deposit of payroll into a Bank of America checking account. Whether the County's employees are concentrated at a single site or located throughout the state, each can have equal access to the**

**same value-added benefits that make the financial services they use more convenient, economical and easy. Benefits include:**

- **My Access, Advantage account, or Standard Checking accounts** –With direct deposit of pay, employees would receive waived monthly service charge, first order of checks free for new accounts, unlimited check writing and debit card usage at no extra charge. Discounts on second checking account as well.
- **CDs** – .25% interest rate bonus on new CDs of \$1,000 to \$99,999. No minimum term
- **Installment and Consumer Loans** – An extra .25% rate discount with automatic payment from a Bank of America checking account, in addition to the standard .25% automatic payment discount
- **Home Equity Lines of Credit** - .25% discount off published rate
- **On-line Banking and Bill Payment Services** – Fees are waived
- **Choice of up to \$2,000 off the cost of your home purchase** with Bank of America Mortgage Rewards or up to \$500 credit to closing cost on new mortgage
- **Bank of America Mortgage** – A credit towards the closing costs equal to .125% of the loan amount, capped at \$500
- **Traveler's Cheques** – No fee for dual or single signature cheques
- **No annual fee Power Rewards Visa Platinum** credit card with 500 bonus points with first purchase
- **Credit Cards** - 0% introductory rate for the first 6 billing cycles on select Bank of America Visa credit cards

## 25.2 **Delivering a Program with Service and Quality**

Our program comes with the overall retail service quality commitment of Bank of America. We understand and deliver this program knowing that service and quality are just as important as the benefits. To ensure the best program delivery, we will:

- Provide dedicated account managers and support staff around the country that serve only our Bank of America at Work clients
- Roll-out the initial program, keep awareness up throughout the year and then reintroduce the program annually
- Leverage a broad range of bank professionals to ensure that all County employees receive information and options suited for their individual needs

- Offer a variety of free financial seminars at a time and in a setting convenient for the County's employees

### **25.3 Delivery Options**

Bank of America will assist the County in developing the best options to help its employees take advantage of the program, including:

- A turn key package linking the County's intranet site, if one is available, to Bank of America's At Work Internet site, which has information on the At Work program, and the ability to apply for products online
- Articles, announcement letters, brochures
- On-site visits by Bank of America associates to address the County's employees banking needs
- Additionally, we would be happy to provide the County with brochures, posters, videos, newsletters, and payroll material to employees to ensure they understand the benefits of the Bank of America at Work Group Banking program. The assigned Bank of America Group Banking Specialist would be pleased to set up a meeting with the County to discuss these services and come up with solutions to inform County employees of this program.
- Bank of America is pleased to provide all of these benefits at no cost the County.

## **05141-RFP EXHIBIT B1, CLERK OF THE COURT SERVICES**

### **1.0 Clerk of the Court Services**

**The Clerk of the Court currently has seven (7) accounts; direct deposit accounts (DDA's) and checking.**

#### **BENCHMARKS OF VOLUMES:**

**\$130 Million Annual Cash Flow/Amount of Annual Deposits**

**\$30 Million Pooled Investment**

**\$17 Million Average Daily Escrow Fund Balance (DDA Policy Reserve)**

**\$2 Million Average Daily Collected Balances (Court-ordered restitution)**

**480,000 Estimated Number of Annual Deposit Items**

**110,000 Estimated Number of Annual Checks Processed (disbursed)**

#### **Response:**

Bank of America can provide all the accounts necessary to the Clerk of the Courts. We have the capabilities to process the Clerk's deposits and disbursements accordingly.

To mitigate the risk of check fraud and improve the flow of information between Bank of America and our clients, the bank's Controlled Disbursement service is complemented by our Positive Pay service that provides electronic access to questionable check activity. As each check is processed, we automatically capture an image of the check, which is available the next business day for viewing via Bank of America Direct, our Internet-based transaction and information reporting service.

**Treasury Direct** – The Clerk can access financial data, summary and detail, quickly and then share the information with other areas of the organization so that everyone can make the best business decisions possible. Customizable reports are available in a variety of formats to accommodate the Clerk's needs and deliverable within seconds. Reports can be viewed on screen, printed, and exported into financial spreadsheets.

**Payments Direct** – The Clerk can make payments, monitor the status of checks, handle exceptions, and reconcile payment activity in the simplest and fastest manner possible. Using this module of Bank of America Direct, the Clerk will be able to initiate wire and ACH payments, view clear images immediately of its paid item and exceptions, make positive pay and stop pay decisions, and reconcile its accounts.

**Receipts Direct** – Receipts Direct integrates receipts information and images, and, as such, will allow the Clerk to view images of lockbox checks, remittance documents and correspondence.

**Images Direct** – Images Direct provides access to images of paper checks, deposits, and deposited items.



Using Bank of America Direct will give the Clerk the convenience of initiating transactions, using Positive Pay, Stop Pay, and Reconciliation Services via the Internet.

## **2.0 BANK ACCOUNT MAINTENANCE**

- 2.1 The Clerk requires an automated reconciliation program for one (1) high volume (i.e., and Criminal Financial Obligations) and two (2) low volume (i.e., Fees and Trust) accounts. The Clerk will provide daily activity, transmitted electronically, for these 3 accounts formatted to the requirements of the Bank.**

**Response:**

Bank of America is capable of providing automated reconciliation service as required above.

- 2.2 The Clerk will provide the Bank with an electronic listing with any additions, deletions or corrections to the Banks on-line banking services.**

**Response:**

The Clerk may submit such listing of additions, deletions, or corrections of items online via Bank of America Direct.

- 2.3 The Clerk will also provide the Bank with daily electronic listings of the disbursements of its three (3) accounts to be used in conjunction with the Bank's Positive Pay program or a program similar that verifies the Clerk's issuance of a disbursement at the time of the pay out.**

**Response:**

The Clerk may provide Bank of America with daily electronic listings of disbursements for the use of Positive Pay service.

- 2.4 The bank shall provide an ELECTRONIC file monthly for each of the 2 low volume accounts and a daily electronic file for the (rfr) high volume account of all cleared (paid) checks, indicating check number, amount and date paid that can be uploaded in the Clerk of the Court automated system. The clerk's office should also be able to view daily the bank's on line system each of its accounts as to what checks have cleared.**

**Response:**

Bank of America shall provide an electronic file on a monthly basis for the low volume accounts and a daily electronic file for the high volume account of all cleared (paid) checks, as required above. The Clerk of Court may also view reports and balances on a daily basis via Bank of America Direct, our online transaction and reporting service.

- 2.5 Monthly bank statements for accounts must be provided ELECTRONICALLY with documentation supporting all entries on the**

**statements within five (5) banking days after calendar month end. The clerk should have daily access to the bank's on-line system to view the balances of all accounts and any other activity that may occur on the accounts. The clerk should have access to the bank's on-line system to transfer funds between the clerk's 7 accounts.**

**Response:**

With Bank of America Direct Online Statements and Reports the Clerk can access account balance reports with debit and credit totals, and account statements with descriptions of the items on such statements. Bank of America can provide the Clerk with an electronic statement; Electronic DDA bank statements are available via Bank of America Direct the day following the statement cutoff date. Statements can be viewed with the browser, or in a PDF (Adobe Acrobat) format. They can also be exported in a PDF or TXT (text) format. This service is available to clients using a daily, weekly, monthly, or variable statement cutoff and it eliminates possible mail delays associated with paper statements. The Clerk, if utilizing this service, will still have paper statements mailed to them, unless otherwise requested. Once historical information is available, the Clerk will be able to access the last six statement cycles.

- 2.6 The bank must provide for the necessary printing of deposit slips for the Clerk's all accounts. Deposit slips shall be coded with unique location identifiers, which then shall appear on bank statements.**

**Response:**

Bank of America shall provide the Clerk with all the necessary printing of deposit slips for all Clerk accounts.

- 2.7 The bank shall have a strong customer service orientation making personnel available to answer questions pertaining to transactions, which require explanation, and to affect account opening/closing and transfers as required.**

**Response:**

The Sales Support Associate (SSA) dedicated to Maricopa County and the Clerk of the Court.

- 2.8 The bank shall establish a blanket authorized signature file which will cover all accounts opened at the contracted bank in the name of the Clerk of the Superior Court.**

**Response:**

Bank of America shall establish a blanket authorization signature file, which will cover all accounts opened at the contracted bank in the name of the Clerk of the Superior Court.

- 2.9 The Bank shall provide, as selected by the Clerk of the Superior Court, blank check stock, 8½" X 11" MICR/OCR/security paper with multiple security features, check at perforated top portion, single sheet. This contribution is not to be charged back in hard dollars.**

**Response:**

Bank of America shall provide the Clerk blank check stock as required above. The fees for such supplies will be applied to the Clerk's monthly Account Analysis.

**2.10 The Bank shall provide Micro Link services (online service).**

**Response:**

Bank of America's online service is called Bank of America Direct. The Clerk will not be required to purchase additional software or hardware as Bank of America Direct is an Internet-based service. The only requirements to access this service are listed in the table below:

<b>Minimum Requirements</b>		<b>Recommended</b>
PC Monitor	SVGA 800x600 resolution	SVGA 1024x768 resolution
Microprocessor	Intel® Pentium® III	Intel® Pentium® VI or higher
RAM	256 MB	512 MB or greater
Microsoft Windows®	Windows 2000® SP4	Windows 2000® SP4, Windows XP® SP2
Internet Browser Name	Microsoft® Internet Explorer® 5.5, with SP 2 (with 128-bit encryption) Netscape® Communicator® 4.79 (with 128-bit encryption)	Microsoft® Internet Explorer® 6.0, with SP 2 (with 128-bit encryption) Netscape® Communicator® 7.00 (with 128-bit encryption) Required for Information Reporting Custom Reports
Adobe Acrobat Reader	Version 5.0x	Version 5.0x

**2.11 The Clerk's Office will not regularly accept foreign checks. However, the Bank shall process all foreign checks with fees paid from soft dollars.**

**Response:**

Bank of America shall comply with the requirements of processing foreign checks. Fees will be applied to the Clerk's monthly Account Analysis.

**3.0 DEPOSIT SERVICES**

**3.1 All deposits must be credited to the Clerk's ledger balance immediately upon receipt.**

**Response:**

Bank of America will provide same day credit for all cash deposits made in a banking center until the closing of the facility. For checks drawn on other financial institutions, Bank of America will give provisional credit immediately and hard post such credits upon confirmation of available funds.

If coin and currency is sent to the vault for verification, provisional credit is given. An adjustment is made if any difference is found when the coin and currency is counted at the vault. Verification deadlines vary by state, but generally it is within two business days. If there is an encoding error on a pre encoded deposited item, or if a deposit exceeds the reject threshold, items associated with the deposit may experience a delay in processing.

- 3.2 **The Clerk will take appropriate steps to facilitate the quickest possible collection of deposits by the bank, such as multiple daily deposits when necessary, separation of large items into “special” deposit slips, and immediate notification to the bank of items deserving special handling.**

**Response:**

To ensure the continuity of the Clerk receiving the credit for such deposits efficiently, Bank of America provides the Clerk with a copy of our Cash Vault Services User Guide and Bulk Coin Deposit Instructions.

#### **4.0 CURRENCY AND COIN SERVICES**

- 4.1 **Services shall be provided for currency purchases, coin purchases, coin bags and wrappers, and locking bank bags. The servicing bank must also accept unrolled coin for deposit. The Clerk anticipates making telephone calls from any of its eight (8) locations to the bank, requesting specific operating needs for that location by armored car delivery the following day.**

**Response:**

Bank of America shall provide all the requirements of the Clerk for currency and coin services. The Clerk can order supplies through the Cash Vault or through the SSA.

#### **5.0 ACCEPT/RETURN**

- 5.1 **The Bank shall give credit for stopped, voided, and canceled issues; accept, return and give credit for forged issues whenever returned with a certification of forgery.**

**Response:**

Bank of America will comply with this requirement. In the case that the items are fraud item, Bank of America will make its best efforts to retrieve any funds that are processed with intent to defraud the bank or the Clerk. To minimize the risk of fraud, the Clerk also has the capability to monitor payments and make Positive Pay decisions using Bank of America Direct – Payments Direct

#### **6.0 ELECTRONIC SERVICES**

- 6.1 **The bank shall provide electronic services that would include transference of funds between Clerk of Court accounts and between financial institutions.**

**Response:**

Bank of America has the capabilities to provide electronic services to enable the Clerk to transfer funds between the Clerk of Courts accounts and between financial institutions.

- 6.2 The bank shall provide the Clerk's Office the on-line ability to review account activity, stop payments, view deposit and disbursement detail.**

**Response:**

Bank of America provides an Internet-based initiation and transaction service called Bank of America Direct. Bank of America Direct can be accessed 24 hours a day, seven days a week and can be utilized to review account activity, stop payments, view deposits, disbursement detail, and various reporting for both current and previous day.

- 6.3 The bank shall provide the Clerk of Court the ability to obtain bank account statements for ninety (90) days.**

**Response:**

Bank of America shall provide the Clerk of Court the ability to obtain bank account statements for 90 days. The Clerk may access online statements for one full year through Bank of America Direct.

**7.0 PROCESSING PROCEDURES**

- 7.1 Some services that the Clerk of the Court may require from the servicing bank are:**
- 7.2 Reading invoices with payments and the pay information loaded to an electronic listing that can be transmitted on line.**

**Response:**

The Lockbox has the capability to provide an electronic listing of all data captured from the scan line or from any manually keyed data.

**8.0 Sure-pay check services (ACH).**

**Response:**

**ACH Services**

- Bank of America will provide support for any Automated Clearing House (ACH) payments, as needed by the County. Whether it chooses to initiate its ACH items via the Automated Clearing House or the Payment Network
- 8.1 The following is a summary.**
- 8.2 Billing court orders: For individuals paying by time payment (e.g., criminal financial obligations, fee deferrals, etc.), the Clerk's Office may invoice the debtor each month. The billed debtor may pay:**

- 8.3 **By mail, through a lock box or to a general address of the Office of the Court**
- 8.4 **By electronic funds transfer from his/her accounts**
- 8.5 **To any receipting office of the Clerk of the Court**
- 8.6 **Via use of telephone initiated transfer**
- 8.7 **Receipting funds from lock box: The Clerk's Office expects to have the servicing bank scan the coupons through their lock box service. The coupons can be scanned due to a new OCR-A scan line proposed to be printed on the bill. The electronic information (data transmittal over a phone line) of scanned bills will be given to the Clerk's Office to update payment information.**
- 8.8 **Disbursing of monies to the payee: The methods of making disbursements to a payee would be through a check mailed to a payee or electronic funds transfer to the payee's account.**

**Response:**

Bank of America can accept payments from individuals paying by time payment. The Clerk's Office may invoice the debtor each month. The billed debtor may pay by mail through the lockbox or to a general address of the Office of the Court. By electronic funds transfer or payments can be made to any receipting office of the Clerk of the Court and via telephone through Remote Payments online.

Lockbox will scan and image all scannable coupons and will transmit the data collected daily to the Clerk's Office for updating their records. The lockbox will transmit electronically to an FTP site (preferred) or directly to the County's designated address, or emailing to a specific email address.

The bank can provide disbursements to a payee through the Payment Network or via ACH electronic funds transfer.

**BANK OF AMERICA, 201 E. WASHINGTON STREET, 22<sup>ND</sup> FLOOR AZ1-200-22-15, PHOENIX, AZ 85004**

PRICING SHEET: B0604590/NIGP 94625

Terms:	NET 30
Vendor Number:	W000005903 X
Telephone Number:	602/523-2331
Fax Number:	602/523-6537
Contact Person:	Michele Nims
E-mail Address:	<a href="mailto:Michele.nims@bankofamerica.com">Michele.nims@bankofamerica.com</a>
Company Web Site:	<a href="http://www.bankofamerica.com">www.bankofamerica.com</a>
Certificates of Insurance	Required
Contract Period:	To cover the period ending <b>June 30, 2009.</b>